metered permits without stamps affixed, must discontinue dropping such mail in the Bossier branch office but deliver it to the rear platform of the Shreveport office under an order received from Arthur L. Layton, acting postmaster of the Shreveport post office.

Hard hit by this new post office procedure ruling, which comes on the heels of Mr. E. W. Roderick's farcical hearing in Bossier City, will be the larger churches. At least two churches, the First Baptist and the Barksdale Baptist Church, will be affected and others are thought to be affected.

The chamber of commerce received its notice Friday. Bob Croft, manager, reported that the chamber sends out from 350 to 700 pieces of bulletin mail each month, and that he had been depositing such mail at the local post office. A report from the First Baptist Church was that such mail was handled in the same manner.

The bulletin from Layton reads as follows:

"NOTICE TO PERMIT MAILERS—MATTER WITHOUT STAMPS AFFIXED

"Under revised postal procedures you will receive a receipt for mailings made under your nonmeter permit only if you request receipt and furnish an additional copy of Form 3602, Statement of Mailing, which the weigher will verify, initial, and deliver to you.

"Under the new postal procedures instructions the permit holder must deliver his permit imprint mail at the place where the ledger records or permit accounts are maintained. Those records are maintained only at the rear platform, main post office.

"ARTHUR L. LAYTON,
"Acting Postmaster."

This is only one of a number of strong articles written by the press of Bossier City indicating the interest which these people have in a separate office. The Planters Press in Bossier City has been very active on behalf of a separate and independent office. A number of articles have appeared in this fine paper aggressively demanding that the people be given proper recognition of their application for a separate and independent Bossier City office. I do not have these articles before me for use at the present time but at some later date I will have an opportunity to give these articles to the Congress.

I can see no reason why there should not be an independent post office for Bossier. Not only is Bossier the seventh largest city in Louisiana in population but it also originates a tremendous amount of postal business. A separate office will give this community the pride which should properly be theirs in having a post office named for this great center. The cost of the office will add nothing to the postal deficit. It can be done and handled in such a way as to cost practically no additional amount.

I think the Post Office Department has been inactive long enough. Some action is due and the plea of these people, who contribute so heavily to our Government, should not be overlooked or cast aside. I hope the Postmaster General will personally see this insertion in the RECORD and will act immediately in approving a separate and independent office for Bossier City.

Expatriated Citizens

EXTENSION OF REMARKS
OF
HON. ALBERT W. CRETELLA
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 23, 1955

Mr. CRETELLA. Mr. Speaker, I have introduced H. R. 5186, which provides for certified copies of citizenship to be furnished to repatriated American citizens who voted in an Italian election or plebiscite during the years 1946 and 1948.

Under the provisions of the McCarran-Walter Act, those citizens who so voted may be repatriated under certain conditions, but under the provisions of law they are not entitled to certified copies of their citizenship once repatriated. There are now thousands of persons awaiting this documentation which would enable them to be registered voters, or to qualify for employment where citizenship is essential, and for countless other activities in which positive American citizenship must be established.

There appears to me to be excellent justification and a basis for this legislation caused by the recollection that great numbers of prominent and nationally known groups and civic organizations put on a tremendous campaign between 1946 and 1948, for American citizens in Italy, to cast a vote against the Communist candidates in these elections and plebiscites.

Through the dissemination of millions of letters, telegrams and circulars and other material to Italy, the Christian Democrat Party led by Alcide de Gasperi was able to defeat the Communist and other radical left wing parties in the opposition and preserve Italy to the free world. One such organization in the United States, the Order Sons of Italy, during its annual convention in California in 1946, was one of the spearheads in the nationwide efforts to defeat the Italian Communists. Many thousands of dollars contributed by this organization and its members were used during these 2 years to contact friends, relatives, and countrymen and urge them to cast a vote against the Communist candidate.

There were also many broadcasts made to Italy during this time as a direct appeal to Americans to vote in the elections. Certain officials of the United States Government did, in fact, appear on these broadcasts in strong support of this move.

Following such action, those who had participated in these elections lost their American rights but they were later repatriated by legislative action. My bill would enable repatriated citizens to obtain upon request, an exact copy of the certificates of citizenship which are supplied to the Department of Justice and State Department. This would end a great deal of confusion which exists today for these people, and would entitle them upon request to immediate documentary proof furnished by our Government of their American nationality.

I trust that the appropriate committee to which this legislation will be referred will take immediate action and that this legislation will receive the wholehearted support of my colleagues.

SENATE

THURSDAY, MARCH 24, 1955

(Legislative day of Thursday, March 10, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace and glory, in these days thrilling and throbbing with the loveliness of spring, we thank Thee for every sacrament of beauty of which our enraptured senses drink as we bend in wonder at the petaled cups held up by bushes aflame with Thee. May the glory of the earth be but a parable of the things that are excellent, blooming in our risen lives.

Lead us out of the bondage of fear and hate into Thy new day when earth's wildernesses shall blossom as the rose and when, in a better order of human society, pity and plenty and laughter shall return to the common ways of man.

"God, the All-righteous One, man hath
defied Thee;
Yet to eternity standeth Thy word;
Falsehood and wrong shall not tarry
beside Thee;
Give to us peace in our time, O Lord!"

Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 24, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. A. S. MIKE MONRONEY, a Senator from the State of Oklahoma, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. MONRONEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, March 23, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on March 23, 1955, the President had approved and signed the act (S. 942)

to repeal Public Law 820, 80th Congress (62 Stat. 1098), entitled "An act to provide a revolving fund for the purchase of agricultural commodities and raw materials to be processed in occupied areas and sold."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4647. An act to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; and

H. R. 4941. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 4647. An act to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

H. R. 4941. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes; to the Committee on Foreign Relations.

COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Internal Security Subcommittee was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Welfare and Pension Funds was authorized to meet during the sessions of the Senate today and tomorrow.

CALL OF THE ROLL

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON APPORTIONMENT OF APPROPRIATION FOR TAX COURT

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, Washington, D. C., reporting that the appropriation to the Tax Court of the United States for "Salaries and expenses" for the fiscal year 1955 has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAMES

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of several displaced persons from reports heretofore transmitted to the Senate, pursuant to section 4 of the Displaced Persons Act of 1948, as amended, with a view to the adjustment of their immigration status (with accompanying papers); to the Committee on the Judiciary.

AUDIT REPORT ON VETERANS' CANTEEN SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Veterans' Canteen Service, Veterans' Administration, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the director, the American Legion, Washington, D. C., transmitting, pursuant to law, a financial statement of the Legion, for the period ended December 31, 1954 (with an accompanying paper); to the Committee on Finance.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF THE INTERIOR

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on tort claims paid by that Department, for the fiscal year 1954 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY HOUSING AND HOME FINANCE AGENCY

A letter from the Administrator, Housing and Home Finance Agency, Washington, D. C., reporting, pursuant to law, on tort claims paid by that Agency, and constituent agencies, the Home Loan Bank Board, the Federal Housing Administration, and the Public Housing Administration, for the calendar year 1954; to the Committee on the Judiciary.

AMENDMENT OF COMMUNICATIONS ACT RELATING TO PROTESTS OF GRANTS OF INSTRUMENTS OF AUTHORIZATION WITHOUT HEARING

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act in regard to protests of grants of instruments of authorization without hearing (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

INCREASED CONTRIBUTION TO BUREAU OF INTERPARLIAMENTARY UNION FOR PROMOTION OF INTERNATIONAL ARBITRATION

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the act of June 28, 1935, entitled "An act to authorize participation by the United States in the Interparliamentary Union" (with an accompanying paper); to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of West Virginia; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 19

"Concurrent resolution memorializing the Congress of the United States to establish a national monument on Blennerhassett Island

"Whereas Blennerhassett Island in the Ohio River near Parkersburg, W. Va., is a place of historic interest in that it played an important part in the life and intrigues of Aaron Burr, former Vice President of the United States, and is a place of scenic beauty; and

"Whereas the island is now in private hands with little or nothing being done to preserve it as a permanent place of historic interest for future generations of Americans, but is in danger of losing its identity as a historic site: Now, therefore, be it

"Resolved by the house of delegates (the senate concurring therein), That the Congress of the United States is hereby requested to give favorable consideration to the passage of legislation that would establish Blennerhassett Island as a national monument, and which would include the reconstruction of the Blennerhassett Mansion and build an adequate approach to the island by bridge or ferry; and be it further

"Resolved, That the secretary of state is hereby directed to forward attested copies of this concurrent resolution to the President and Secretary of the United States Senate, and Speaker and Clerk of the House of Representatives, and to each Member of the West Virginia delegation in the Congress of the United States."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Labor and Public Welfare:

"Resolutions memorializing Congress in favor of the immediate passage of legislation for the development of fine arts programs and projects

"Whereas there is now pending before the Congress of the United States a bill to provide for the establishment of a program of Federal grants for the devolpment of fine arts programs and projects; and

"Whereas the enactment of such legislation would be to the advantage of this Commonwealth: Therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation providing for the establishment of a program of Federal grants for the development of fine arts programs and projects; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each Member thereof from this Commonwealth."

A joint resolution of the Legislature of the State of Utah; to the Committee on the Judiciary:

"Senate Joint Resolution 8

"Joint resolution reaffirming equal rights of all citizens of the United States and of Utah and congratulating President Dwight David Eisenhower and Congress and the Supreme Court for accomplishments upon this subject

"Be it resolved by the Legislature of the State of Utah:

"Whereas the Government of the United States, through its legislative, judicial, and

executive departments, is making great strides toward the fulfillment of the American dream that equal rights be accorded to all citizens of the United States; and

"Whereas citizens of so-called minority groups have and are continuing to distinguish themselves in all fields of endeavor, and especially in Government, science, art, music, the theater, industry, and in athletic efforts; and

"Whereas the principles of equal rights, which are declared to be self-evidence in our Declaration of Independence, and which are guaranteed by the Constitution of this great country, and which are also stated in the Constitution of our own State; and

"Whereas America's future greatness may depend in part upon the ability of all of her citizens to harmoniously live and work and fight together to meet the challenges of any foe or adversary, from within or without our shores: Now, therefore, be it

"Resolved, That the people of Utah, through their legislature, in session assembled, be cognizant and mindful of the fundamental rights and privileges guaranteed to all citizens of this great State; and be it further

"Resolved, That President Dwight David Eisenhower, the Congress, and the Supreme Court be complemented for the progress which has been realized during the past 2 years to help guarantee and perpetuate, to all citizens, equal rights in life, liberty, and the pursuit of happiness; be it further

"Resolved, That certified copies hereof be transmitted by the Secretary of State to the President and Vice President of the United States of America, the Chief Justice of the Supreme Court of the United States, the Speaker of the House of Representatives of said Congress, and the four members of the congressional delegation from Utah."

A resolution adopted by the 48th annual meeting of the National Association of Attorneys General, favoring the enactment of legislation which will secure to the States the power and right to levy and collect any nondiscriminatory tax imposed under the protection and authority of the law of any State, Territory, or possession; to the Committee on Finance.

A letter in the nature of a memorial from the Louisiana Department of Public Welfare, Baton Rouge, La., signed by Edward P. Dameron, commissioner of public welfare, remonstrating against certain proposed amendments to the social-security laws; to the Committee on Finance.

A letter in the nature of a petition from the Veterans of Military Intelligence Service, Honolulu, T. H., signed by Daniel T. Nishimura, president, enclosing a resolution adopted by that organization, favoring the enactment of House bill 588, to establish an educational-assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war (with an accompanying paper); to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the Asociacion Pro Proteccion de la Ninez, of Ponce, Puerto Rico, signed by Ismaro Torruella, president, praying for the enactment of legislation to combat juvenile delinquency; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the Harbor Commission of the Port of San Diego, Calif., signed by John Bate, port director, enclosing a resolution adopted by that commission, relating to maintenance of navigable waterways and harbors; to the Committee on Public Works.

A resolution adopted by the Board of Supervisors of Niagara County, N. Y., protesting against a revision of the plan of the Corps of Engineers for the redevelopment of power from the waters of the Niagara River; to the Committee on Public Works.

By Mr. CHAVEZ:

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Interstate and Foreign Commerce:

"Senate Joint Memorial 8

"Joint memorial memorializing the Congress of the United States to enact legislation prohibiting the seeding of clouds or the use of other methods of inducing rain or snowfall until sufficient scientific data are collected to make other effective regulation possible

"Whereas the uncontrolled and indiscriminate efforts of many groups and persons to modify climates and induce changes in meteorological causes and effects by the use of chemical and physical devices such as cloud-seeding has had unforeseen and adverse effects upon many localities; and

"Whereas there exists no legal, scientific, or physical means by which the effects of chemically or physically induced precipitation, can be accurately gaged or controlled; and

"Whereas sought-for beneficial effects of such artificial rain-making have often not materialized and the effects induced have often been prejudicial and harmful: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be and it hereby is respectfully urged to enact legislation prohibiting the use of cloud-seeding or other techniques to induce precipitation by artificial means until such time as scientific data and the establishment of administrative controls permit the adequate regulation by Congress of various means of climate control; and be it further

"Resolved, That enrolled and engrossed copies of this memorial be transmitted to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to each Senator and Representative in Congress from New Mexico.

"JOE M. MONTOYA,
"President, Senate.
"EDWARD G. ROMERO,
"Chief Clerk, Senate.
"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"Approved by me this 7th day of March 1955.

"JOHN F. SIMMS,
"Governor, State of New Mexico."

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"Senate Joint Memorial 14

"Joint memorial memorializing the Senate and House of Representatives of the Congress of the United States to commend by joint resolution the purposes of the memorial to the American Indian Foundation in establishing a national living memorial to the American Indian in the State of New Mexico

"Whereas there is at the present time no national living memorial to the American Indian commensurate with the great debt our Nation owes to the first inhabitants of this great Nation; and

"Whereas there has been chartered by the State of Michigan a nonprofit corporation named the Memorial to the American Indian Foundation, for the purposes of constructing such a memorial as conceived by sculptor E. Harlan Daniels; and

"Whereas the memorial, so conceived, shall forever acknowledge the contribution made to our Nation by these first American citizens, shall enlighten the American people on a civilization that is basic to our American heritage, and shall foster the collection and preservation of relics, artifacts, and documented knowledge of the Indian race in America; and

"Whereas the board of trustees of the Memorial to the American Indian Foundation has by resolution dedicated the foundation to the placement of the memorial in the State of New Mexico, and has received assurances of support from various prominent citizens and civic organizations in said State: Now, therefore be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be and is hereby respectfully memorialized and urged to enact a joint resolution commending the purposes of the memorial to the American Indian Foundation in the furtherance of this great project; and be it further

"Resolved, That copies of this memorial be sent to each Senator and Member of the House of Representatives from New Mexico.

"JOE M. MONTOYA,
"President, Senate.
"EDWARD G. ROMERO,
"Chief Clerk, Senate.
"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"Approved by me this 16th day of March, 1955.

"JOHN F. SIMMS,
"Governor, State of New Mexico."

A resolution of the House of Representatives of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"House Resolution 2

"Resolution of the House of Representatives of the 22d Legislature of the State of New Mexico, memorializing the Congress of the United States to authorize the Colorado River storage project

"Be it resolved by the Legislature of the State of New Mexico (the Governor concurring herein):

"Whereas the waters of the Colorado River and its tributaries have by compact, approved by the Legislatures of the State of Arizona, California, Utah, Colorado, New Mexico, Nevada, and Wyoming, been allocated to these several States, and said compact having been approved by the Congress of the United States in 1922; and

"Whereas the upper basin States, consisting of Colorado, New Mexico, Utah, and Wyoming, through the Upper Colorado River Commission and the legislatures of said States and with the approval of Congress, have allocated their proportionate share of the water of said river among themselves; and

"Whereas the conservation and wise use of water of the Colorado River can only be made possible by the construction of strategic storage facilities on said river and its tributaries; and

"Whereas the conservation and wise use of water is of foremost importance to the future agricultural and economic development and the general welfare of the Western United States and of the United States; and

"Whereas the Upper Colorado River Commission, working in conjunction with the Federal Bureau of Reclamation, has developed a plan, known as the Colorado River storage project, to permit the conservation and wise use of the waters of the Colorado River in the upper basin States; and

"Whereas said Colorado River storage project has been developed after many years of investigation, planning, and on-the-ground surveys of the storage facilities of the upper Colorado River and its tributaries; and

"Whereas said Colorado River storage project has been determined to be the most economical and feasible method of storing

and using said waters for the benefit of both the upper and lower basin States; and

"Whereas the storage of water as proposed in the Colorado River storage project is vital to permit the upper basin States to meet their commitments to the lower basin States under the compact of 1922, and to have available the upper basin States' allotment of water as provided in said compact; and

"Whereas to carry out the intent and purposes of the several compacts approved by the legislatures of the several States concerned, and to carry out the purposes and intent of said compacts as approved by Congresses of the United States, the authorization of the Colorado River storage project by the 84th Congress of the United States is imperative: Now, therefore, be it

"Resolved by the 22d Legislature of the State of New Mexico (the Governor concurring herein), That the 84th Congress of the United States of America be and it is hereby memorialized to and requested to give the utmost consideration to, and favorable action on, legislation to authorize the Colorado River storage project, including construction of the Echo Park Dam; and be it further

"Resolved, That certified copies hereof be promptly transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives of the Congress, United States Senator Dennis Chavez, United States Senator Clinton P. Anderson, Representative John J. Dempsey, Representative Antonio Fernandez, to the Secretary of the Interior, Douglas McKay, to the Commissioner of Reclamation, the Upper Colorado River Compact Commission, and to the Governors and legislatures of the following States: Arizona, Colorado, New Mexico, and Wyoming.

"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk.

"Approved by me this 7th day of March 1955.

"JOHN F. SIMMS,
"Governor, State of New Mexico."

DINOSAUR NATIONAL MONUMENT—RESOLUTION OF MADISON (WIS.) GEOLOGICAL SOCIETY

Mr. WILEY. Mr. President, I present a letter which I have received from B. D. Leith, secretary of the Madison Geological Society, who expresses the judgment of that organization on behalf of more and better national parks and recreational areas, rather than interference with existing national monuments and regions.

I ask unanimous consent that Mr. Leith's important message be printed in the RECORD at this point and be thereafter appropriately referred to the Senate Committee on Interior and Insular Affairs.

There being no objection, the letter was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

MADISON GEOLOGICAL SOCIETY,
Madison, Wis., March 18, 1955.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: The Madison Geological Society of Madison, Wis., herewith wishes to enter a plea in favor of more and better parks and recreational spots in these United States. In this connection we wish to express ourselves on the Dinosaur National Monument in the Utah-Colorado area.

In reviewing the literature on the subject, we note that a site for a unique national park is being endangered by plans for an unnecessary dam and reservoir. Competent engineers state that satisfactory alternate reservoir sites are available; that there is no cause for haste in deciding on a location; and this area is such an excellent one for a national park that it would be a grave error to forever spoil the canyon which is its outstanding feature.

Here in Wisconsin we support any move for more national-park sites in the interest of much-needed facilities for public recreation.

B. D. LEITH,
Secretary.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. 1413. A bill to amend the act establishing a Commission of Fine Arts (Rept. No. 120).

By Mr. GREEN, from the Committee on Rules and Administration, with an amendment:

S. Res. 72. Resolution authorizing expenditures for hearings and investigations by the Committee on Armed Services (Rept. No. 121).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

H. Con. Res. 85. Concurrent resolution authorizing the printing as a House document the pamphlet, Our American Government: What Is It? How Does It Function?

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Riley J. Sipe, and sundry other officers, for permanent appointment in the Coast and Geodetic Survey.

By Mr. STENNIS from the Committee on Armed Services:

Maj. Gen. Silas Beach Hays, Medical Corps, United States Army, for appointment as The Surgeon General, United States Army;

Lt. Gen. Lyman Louis Lemnitzer, Army of the United States (major general, U. S. Army), for appointment as commanding general, Army Forces Far East and Eighth Army, with the rank of general, and as general in the Army of the United States;

Maj. Gen. James Maurice Gavin, Army of the United States (brigadier general, U. S. Army), for appointment as Deputy Chief of Staff for Plans and Research, United States Army, with the rank of lieutenant general, and as lieutenant general in the Army of the United States;

Capt. Amos A. Jordan, Jr., for appointment as professor of social science, United States Military Academy;

John J. Powell, and sundry other persons, for appointment in the Regular Army of the United States; and

Robert Wesley Tindall, and sundry other officers, for promotion in the Regular Air Force.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina:

S. 1542. A bill to authorize an allowance for civilian officers and employees of the Government who are notaries public; to the Committee on Post Office and Civil Service.

By Mr. SCOTT (for himself and Mr. MURRAY):

S. 1543. A bill to amend the Domestic Minerals Program Extension Act of 1953 in order to strengthen national defense and to further extend the program to encourage the discovery, development, and production of certain domestic minerals; to the Committee on Interior and Insular Affairs.

By Mr. JENNER:

S. 1544. A bill for the relief of Maria Guadaloupe Schockley and her minor daughter, Evangeline Vega Schockley; to the Committee on the Judiciary.

By Mr. PAYNE:

S. 1545. A bill for the relief of Henry Wong; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself and Mr. HAYDEN):

S. 1546. A bill to authorize the Secretary of the Air Force to convey certain land to the city of Tucson, Ariz.; to the Committee on Armed Services.

By Mr. MAGNUSON (by request):

S. 1547. A bill to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel;

S. 1548. A bill to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade; and

S. 1549. A bill to amend the Communications Act of 1934 so as to authorize the imposition of administrative fines by the Federal Commnications Commission for violations of its rules and regulations, and to authorize the remission or mitigation of such fines by the Commission; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mrs. SMITH of Maine:

S. 1550. A bill authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Dominion of Canada; and

S. 1551. A bill to authorize a preliminary examination and survey of the Short Sands section of York Beach, York County, Maine; to the Committee on Public Works.

By Mr. SMITH of New Jersey:

S. J. Res. 59. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of electors of President and Vice President in the several States, for the election of President and Vice President by such electors, and, in certain cases, for the election of President and Vice President by the joint membership of the Senate and House of Representatives; to the Committee on the Judiciary.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO THE IMPOSITION OF FINES IN CERTAIN CASES

Mr. MAGNUSON. Mr. President, at the request of the Federal Communications Commission, I introduce, for appropriate reference, a bill to amend the Communications Act of 1934 so as to authorize the imposition of administrative fines by the Federal Communica-

tions Commission for violations of its rules and regulations, and to authorize the remission or mitigation of such fines by the Commission. I ask unanimous consent that there be printed in the RECORD, at this point, a letter from the Federal Communications Commission explaining the purpose of the amendments it is proposing.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1549) to amend the Communications Act of 1934 so as to authorize the imposition of administrative fines by the Federal Communications Commission for violations of its rules and regulations, and to authorize the remission or mitigation of such fines by the Commission, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON, is as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D. C., March 8, 1955.

THE VICE PRESIDENT,
United States Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: The Commission wishes to recommend at this time for the consideration of the Senate the enactment of legislation amending the Communications Act of 1934, as amended, to provide a small civil penalty for violation of the rules and regulations of the Commission applicable to all radio stations other than those in the broadcast services, and to further provide for remission or mitigation thereof by the Commission. This same request has been submitted by the Commission to previous Congresses, but the provision has not been enacted into law. However, the problems which originally prompted the Commission to request this authority have assumed such proportions and such seriousness that the Commission believes that the enactment of this proposal is absolutely essential in order to insure the continued orderly functioning of the nonbroadcast radio services, particularly those which have a direct impact on the protection of life and property.

There has been a rapid and phenomenal expansion in the nonbroadcast radio services since World War II, due largely to the development of new equipment and utilization of new portions of the frequency spectrum. Many small companies have been licensed to operate radio stations as specialized common carriers, particularly in the mobile common carrier services established in 1946. An even greater expansion has taken place in what are known as the safety and special radio services where radio is employed for numerous diverse purposes by large groups of users such as the maritime and aviation interests, police and fire departments, electric and gas companies, forestry agencies, taxicab companies, highway truck and bus companies, etc. As of January 1, 1954, the number of radio stations in the safety and special radio services alone, exclusive of amateur and disaster communications stations, has risen to 145,975, an increase of over 100,000 stations since 1947.

One result of the extensive increase in licensed stations in recent years has been a marked increase in the number of violations of the Commission's technical rules and regulations. This is particularly true in some of the newer private services where radio is not the principal activity of the licensee but is utilized as an adjunct to his primary business activities, and the station operators are accordingly less concerned with the necessity for adhering to the technical rules governing the use of radio. Most of the offenses are, taken individually, of a comparatively minor nature. Collectively, however, because of their number and variety they represent a very real menace to the orderly use of the radio spectrum and to efficient and effective regulation by the Commission. In addition, these violations result in a serious menace to life and property in those services, such as maritime and aviation, where radio serves as a vital and necessary safety device. Thus, a special survey conducted for a limited period during 1950 revealed that 75 percent of the ship radio stations inspected aboard small vessels failed to comply with one or more of the rules governing the ship service.

The seriousness and magnitude of the problems presented can best be illustrated by the situation that now prevails with respect to small boats equipped for radiotelephone communications and operating in the 2–3-megacycle band. Over the past few years there has been an increase of approximately 400 percent in the number of such small boats equipped for radiotelephone communications. This increase has, in turn, increased the problems of enforcing the Commission's rules.

With respect to the small boats, one of the focal points of the Commission's difficulties is the fishing fleets operating of the coasts of the gulf States and in Mexican territorial waters. In this area the Commission has been plagued by a constantly increasing number of violations of its rules, involving transmissions on unauthorized frequencies, malicious jamming of channels, and the transmission of profane language. For example, in April 1954 two Commission field engineers conducted monitoring operations for 12 days while aboard a fishing boat off the Mexican coast. During that period they observed a total of 291 violations of the Commission's rules.

Most serious of the violations occurring in the gulf area is the widespread misuse of the frequency 2182 kilocycles, which has been designated by international treaty to be a distress frequency. It is essential, of course, that a distress frequency be kept clear of all routine communications. However, in the gulf area the frequency 2182 has been misused for nonessential communications to such a degree that it has been rendered practically useless for safety purposes. Instances have occurred when ships and the Coast Guard have been unable to receive emergency distress calls on 2182 kilocycles because of the volume of illegal transmissions on the channel.

The Commission believes that this situation presents a definite menace to the safety of life and property, and one which is steadily growing worse. Moreover, situations of a similarly serious nature are occurring in other parts of the safety and special radio service, such as the aeronautical service. Unfortunately, however, the Commission does not presently have available any adequate sanction for dealing effectively with this mass of rule violations in the nonbroadcast services. The Commission is authorized to revoke the licenses of stations willfully or repeatedly violating the rules, but even where the seriousness of a particular offense or the substantial number of separate offenses might otherwise warrant resort to this extreme sanction, it will often be particularly inappropriate in the nonbroadcasting services where, as in the case of a ship or plane station, the effect of the revocation would be to deprive the licensee of essential safety equipment or, in the case of a common carrier, to deprive the community of much needed communications service. Similarly, the Commission is authorized to refer aggravated cases of willful or knowing violations of its rules to the Department of Justice for criminal prosecution as a misdemeanor. But, especially since most of the minor violations result from negligence and disinterest rather than willful disregard for the Commission's rules, resort to the criminal sanction can only hope to be of limited value in the Commission's overall enforcement program.

During the 82d Congress, there was enacted a series of amendments to the Communications Act of 1934, including a provision, incorporated in the act as section 312 (b), authorizing the Commission to issue cease and desist orders directed against any person violating the act or the Commission's rules and regulations. And the grant of this additional authority to the Commission was advanced by the conferees on this bill as the reason for their elimination of a provision, applicable to all radio services, permitting the imposition of forfeitures of up to $500 for violation of the act or the Commission's rules which had been included in the House version of the bill. But while the new cease and desist authority has proven of real value in certain areas of the Commission's enforcement program our experience indicates that the cease and desist procedure is ill-adapted to dealing with the great increase in minor technical violations of the Commission's rules in the common carrier and safety and special radio services.

Our records indicate that violations on the part of a particular operator may be many and varied and may occur over a considerable period of time. Generally, these violations are clearly established and present no dispute as to the facts or law. The cease and desist procedure, which is most useful when directed to a single or continuing situation or practice concerning which there may be disagreement as to facts or interpretation of rule or statute, would appear to be ill-adapted as a means of discouraging such clear-cut violations. Moreover, a cease and desist order is directed only at a particular violation, and, while possibly effective in causing the particular operator to strive to avoid repetition of that particular violation, would not, it is believed, be of any lasting value in stimulating the operator to live up to the Commission's rules in all aspects of his operations. On the other hand, it is thought that knowledge on the part of the licensees that any violation could lead to the prompt imposition of a money penalty, even though it be a small one, would be quite effective in creating an attitude of responsibility for compliance with all regulations.

The cease and desist procedure is also believed to be too cumbersome and time-consuming for the quick and efficient enforcement procedures desired in dealing with the multitudinous violations occurring in the non-broadcast services. Even where the offense is clearly willful, or involves questions of "public health, interest, or safety," so as to make unnecessary the requirement of section 312 (d) of the act of first calling the offense to the attention of the licensee and affording him an opportunity to comply with the particular provision of law which has been violated, a show cause order must first be issued affording the licensee involved a period of at least 30 days from the time of receipt in which to reply and, if desired, request a hearing. Furthermore, the ultimate penalties which must be relied on to make the cease and desist orders effective remain either license revocation or criminal prosecution, which, as has been pointed out, are usually inappropriate for the types of violation by radio licensees found in the common carrier and safety and special radio services.

A study has been conducted of enforcement methods utilized by the Coast Guard and Civil Aeronautics Administration, both of which have regulatory jurisdiction over large groups of persons involving the "traffic law" type of violations which are so common in the nonbroadcast services administered by this Commission. Both the Coast Guard and the CAA are authorized

to impose, administratively, a civil penalty with further authority to remit, mitigate, or compromise the amount of such penalty. If payment is not made, the matter is referred to the Attorney General for collection in a noncriminal proceeding. Both agencies have had considerable success for many years in employing this method to secure compliance with their respective regulations. Information obtained from these agencies indicates that comparatively small individual average amounts of civil penalties are assessed, and that in only a small number of instances has it been found necessary to call upon the Attorney General for collection.

It is the opinion of the Commission that similar enforcement procedure shall be made available for use in the nonbroadcast services. A like procedure now exists under title III, part II of the Communications Act with respect to the larger oceangoing vessels subject to those provisions. This procedure has proven to be most successful with respect to enforcing the provisions of the Commission's rules applicable to such vessels. Extension of such a procedure to all nonbroadcast licensees would, it is believed, aid greatly in the task of regulating the many thousands of such licensees.

While the provisions applicable to vessels provide for a forfeiture of $500 for each day during which a vessel is navigated in violation of law, the Commission believes that the sum of $100—noncumulative—for any violation of the Commission's rules in the common carrier and safety and special services field would be sufficient to accomplish the purpose for which it is intended. The mitigation and collection provisions applicable under title III, part II, of the Communications Act would, however, be equally applicable to the new forfeitures. Upon discovery of a violation, the licensee would be notified of the forfeiture incurred because of such violation and of his rights to apply to the Commission for remission or mitigation or to refuse to pay and be brought into court for a judicial determination of his liability. Any forfeitures collected by the Commission would be payable into the Treasury of the United States as provided by section 504 (a) of the Communications Act. It is believed that the ability of the Commission to mitigate the forfeiture would, in these cases as it does in the ship cases, encourage payment without the necessity of the Attorney General bringing a judicial proceeding for recovery.

It is, therefore, recommended that the Communications Act be amended as follows:

1. Under title V change subtitle "Forfeiture in Cases of Rebates and Offsets" to read "Forfeiture in Cases of Rebates and Offsets and Violations of Rules and Regulations."

2. Redesignate section 503 as section 503 (a) and insert a new subsection (b) to read as follows:

"(b) Any person who violates any rule or regulation made by the Commission under this act to govern any radio station, except licensed radio stations in the broadcast services, and the licensee of any such radio station at which such violation occurs, shall, in addition to any other penalty prescribed by law, each forfeit to the United States the sum of $100."

3. Amend section 504 (b) by revising the phrase in the first sentence thereof "The forfeitures imposed by part II of title III and section 507 of this act "to include a reference to section 503 (b) so that it would read as follows:

"The forfeitures imposed by part II of title III, section 503 (b), and section 507 of this act shall be subject to remission or mitigation by the Commission, upon application therefor, under such regulations and methods of ascertaining the facts as may seem to it advisable; and, if suit has been instituted, the Attorney General, upon request of the Commission, shall direct the discontinuance of any prosecution to recover such forfeitures: *Provided, however,* That no forfeiture shall be remitted or mitigated after determination by a court of competent jurisdiction."

The Commission considers the enactment of this legislation to be of the utmost importance for the proper enforcement of the Commission's rules and regulations, and to insure that radio can continue to serve effectively as a vital means of protecting life and property. It is, therefore, hoped that this proposal will receive early and favorable consideration by the Senate. The Commission will be glad to furnish any additional information that may be desired by the Senate or by any committee to which this proposal is referred. The Bureau of the Budget has advised the Commission that it has no objection to the submission of this letter.

GEORGE C. MCCONNAUGHEY,
Chairman
(By direction of the Commission).

PROPOSED CHANGES IN METHOD OF ELECTING THE PRESIDENT AND VICE PRESIDENT OF THE UNITED STATES

Mr. SMITH of New Jersey. Mr. President, it has come to my attention that the Subcommittee on Constitutional Amendments of the Senate Committee on the Judiciary has been holding hearings on proposals for changing the method of electing the President and Vice President of the United States. The next of these scheduled hearings is, I understand, to be held on tomorrow, March 25, 1955.

In the 82d Congress, I was a cosponsor of the so-called Lodge resolution on this subject. That measure was agreed to by the Senate. In the last Congress, after extensive consultation with the Princeton department of politics and with Mr. Lucius Wilmerding, Jr., an expert in this field, I introduced Senate Joint Resolution 100, which would retain the electoral college, but would provide for the election of electors by districts, except for two in each State, who, like Senators, would be elected at large. In the event of the failure of any candidate to receive the vote of at least 40 percent of the whole number of electors, provision is made for election by the Congress, sitting in joint session, and voting by heads rather than by States.

I, personally, am convinced that the provisions of Senate Joint Resolution 100, 83d Congress, are more desirable than those of any of the other pending measures on the subject. I, therefore, introduce a joint resolution identical with the former Senate Joint Resolution 100, and ask that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 59) proposing an amendment to the Constitution of the United States providing for the election of electors of President and Vice President in the several States, for the election of President and Vice President by such electors, and, in certain cases, for the election of President and Vice President by the joint membership of the Senate and House of Representatives, introduced by Mr. SMITH of New Jersey, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. SMITH of New Jersey. Mr. President, I introduce the joint resolution, not out of a sense of competition, but to the end that the Judiciary Committee may have before it as many reasonable ideas as possible. Indeed, it is my understanding that Mr. Wilmerding testified before the subcommittee last week and made extensive reference to the proposals contained in the joint resolution I am now reintroducing.

When I introduced Senate Joint Resolution 100 in the last Congress, the American Law Division of the Legislative Reference Service, at my request, prepared a very useful memorandum on the provisions of the joint resolution and on the problem in general. I ask unanimous consent that the memorandum be printed at this point in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

ANALYSIS OF JOINT RESOLUTION

Section 1 provides that for the purposes of choosing the President and Vice President each State shall be divided into such number of districts as the State has Representatives in Congress. The State legislature in each case is to make the division, but districts must be composed of contiguous and compact territory, and contain as nearly as practicable an equal number of inhabitants. Once districts are established they may not be altered until another census has been taken. It is to be assumed, of course, that reference here is to the decennial Federal census, although the States did at one time, and a few still do, conduct a census.

The language used in section 1 to define the districts to be created by the State legislatures from which electors are to be chosen is the same language used by Congress in describing congressional districts in the reapportionment acts under the 12th (1900) and 13th censuses, the words "and compact" being added under the latter apportionment. (Jan. 16, 1901, secs. 3, 4, ch. 93, 31 Stat. 733, 734; and Aug. 8, 1911, secs. 3, 4, ch. 5, 37 Stat. 13, 14.) Although there is no such requirement in the existing apportionment act (2 U. S. C. 2a–2b), two States have provisions in their constitutions making it mandatory that congressional districts be of contiguous and compact territory. (Virginia constitution (1902) sec. 55 and West Virginia constitution (1872) art. I, sec. 4.)

The idea of division of the States into districts for the purpose of selecting presidential electors is not novel. Following adoption of the Constitution, and beginning in 1788, several of the States voluntarily adopted the district method of electing presidential electors. The method, however, was generally abandoned by the States following the election of 1832. It was taken up again by Michigan in 1892 (laws 1891, No. 50) and is presently used in only one State. This State, Louisiana, requires that presidential electors be chosen from districts, that is, 1 from each congressional district and 2 at large (La., Rev. Stat. (1950) title 18, secs., 1381–1382). The law of this State goes even further and requires that the elector chosen from a district must be a qualified voter in the particular district from which chosen:

"Every qualified voter in the State shall vote for presidential electors as follows: 2 persons shall be selected from the State

at large, and 1 person shall be chosen from each congressional district in the State" (sec. 1381).

"No person is a qualified presidential elector who is not a qualified voter in the district for which he is chosen, or if selected for the State at large, then of some parish of the State" (sec. 1382).

The legislative history of various attempts to get legislation through Congress requiring that electors be chosen by districts are discussed in *McPherson* v. *Blacker* ((1892) 146 U. S. 1). For discussion of reasons for discontinuance of the district system, see Message of Governor Rich to the Michigan Legislature on January 5, 1893, asking for repeal of the Miner law. The Senate Committee on Privileges and Elections in 1874 was of the opinion Congress had no such authority, indicating a constitutional amendment in the nature of the one submitted by you would be necessary to effect the desired result (S. Rept. No. 395, 43d Cong., 1st sess.).

Section 2 of the amendment submitted provides that the inhabitants of each district created pursuant to section 1 shall be entitled to appoint one elector of President and Vice President. Two additional electors shall be appointed from the State at large by the inhabitants of the State. Section 2 would, of course, nullify that portion of clause 2 of section 1 of article II of the Constitution now permitting a State to appoint its electors "in such manner as the legislature thereof may direct."

Section 2 adopts the language now used in the Constitution in connection with election of Senators (amendment XVII) and Representatives (art. I, sec. 2, clause 3) in Congress by stating that persons voting for presidential electors "shall have the qualifications requisite for electors of the most numerous branch of the State legislatures." Such qualifications, therefore, that a State imposed on persons for voting for State officers, that is, for members of the State's legislature (most numerous branch) would also apply to persons voting for presidential electors as such qualifications now apply to those voting for Senators and Representatives in Congress. Section 2 does impose the additional qualification of being from the particular district, in voting for the district elector, but there is no requirement set forth in the section that the elector so chosen must be an inhabitant or resident of the particular district from which he is chosen.

The word "appoint" used in section 2 in connection with choosing of electors would not necessarily mean "elect," although it would permit election. The inhabitants of a district, or of the State as the case may be, could choose some method other than an election to choose the presidential electors. For instance, the provision of the Constitution (art. II, sec. 1, clause 2), now allowing a State to appoint its electors "in such manner as the legislature thereof may direct" has been construed by the United States Supreme Court as "leaving it to the State legislatures to appoint directly by joint ballot or concurrent separate action, or through popular election by districts or by general ticket, or as otherwise might be directed." *McPherson* v. *Blacker* ((1892) 146 U. S. 1, 28) declaring valid the so-called Miner law of Michigan (laws 1891, No. 50) providing for the election of presidential electors by districts in a manner proposed by the amendment submitted.

Sections 1 and 2 of the amendment submitted would not change the number of electors to which each State is presently entitled pursuant to clause 2 of section 1 of article II, that is, one for each Senator and Representative in Congress. Also the provision in section 2 of the amendment submitted that "No Senator or Representative or person holding an office of trust or profit under the United States, shall be appointed an elector" is identical with language presently appearing in clause 2.

Section 3 relates to the meeting of the electors in their respective States, the casting of their ballots for President and Vice President, and the transmittal of the report of the vote of the presidential electors (the electoral college) to the seat of government of the United States. Section 3 is in identical language to that presently employed in the 12th amendment except for a minor grammatical change.

Section 4 relates to the counting of the electoral votes. Presently under the 12th amendment the person having the greatest number of votes for President, if a majority, is elected President, but if no person has such majority, the House of Representatives chooses the President by ballot from the three highest. Similarly the 12th amendment provides that the person having the greatest number of votes for Vice President, if a majority, is elected Vice President, but if no person has a majority, the Senate chooses the Vice President from the two highest. Instead of a majority of the votes cast, section 4 of the amendment submitted, however, would permit a person having the greatest number of votes, providing it be at least 40 percent of the whole number of electoral votes, to be elected President or Vice President as the case may be.

Section 4 would also provide for two contingencies. One, if on either the list of persons voted for as President or on the list of persons voted for as Vice President, there are two candidates having the required percentage but are tied for electoral votes, then the Senate and House of Representatives in joint meeting would immediately by ballot choose one of them for President or Vice President, as the case may be. Second, if on either list no person shall have received the required 40 percent; then from the three highest on the list the Senate and House would in like manner choose the President and Vice President.

Under section 4 of the amendment submitted, when the choice devolves upon the Congress to select either a President or Vice President, the votes shall be taken by heads and not by States, and a majority of the combined authorized membership of the Senate and House shall be necessary to a choice. Since there are 435 Representatives and 96 Senators, or a combined total of 531, this majority would be at least 266. This is actually a majority of the whole number of electors appointed and is the same majority numerically now required to elect under the present system. Presently, under the 12th amendment, when no candidate for President has received a majority of the vote of the whole number of electors, the House of Representatives ballots for President, their choice being confined to the persons not exceeding three who have received the highest electoral vote. The votes in the House are taken by States, the representation from each State having one vote. A quorum of the House for this purpose consists of a Member or Members from two-thirds of the States, and a majority of all the States shall be necessary to a choice. The vote of at least 25 of the States is now required in case of such a contingency to elect the President. The vote of the delegation of each State is taken separately, and the person receiving a majority of the votes given by the Representatives from the State receives the vote of that State. If the vote of the delegation is divided, the vote of the State does not count. (For election of President by the House, see Annals, 7th Cong., 1st sess., pp. 1010, 1022–1028 (1801); and after the 12th amendment, see Congressional Debates, vol. 1, 18th Cong., 2d sess., pp. 361–363, 515.) This method of choosing the President and Vice President by the House and Senate, would in effect be substituting Members of the House and Senate for the electoral college since numerically each group combined contains 531 Members. Such a method, eliminating voting by State and substituting a per capita vote, would eliminate the advantage now enjoyed by the smaller States when an election is thrown into the House.

Section 5 of the amendment submitted is entirely new and reads as follows:

"SEC. 5. The legislature of each State may specify the places of holding elections for electors, prescribe the manner of voting, and provide for the appointment of proper persons to conduct such elections with authority to declare definitely the result thereof, but the Congress may by law make or alter such regulations. If the legislature of any State fails to divide the State into districts as provided in this article, the Congress may lay off such State into districts for the election of electors."

This section applied to presidential electors is similar to present article I, section 4, clause 1, when applied to election of Senators and Representatives, but is more far reaching. The proposed section 5 would allow the States to specify the places of holding the elections for electors and prescribe the manner of voting. The States would also appoint the officials to conduct the elections and have authority to declare who was elected. However, the power would be reserved to the Congress to make or alter any such regulations made by the States. Although the proposed article of amendment does not leclare that presidential electors are Federal officers, the fact that their appointment or election is rather extensively regulated would indicate that they are to be considered Federal officers. See *In re Green* ((1890), 134 U. S. 377), holding that presently electors are not Federal officers.

In addition, section 5, specifically stating that Congress has the power to divide a State into districts for election of electors upon failure of a State to so act, seems to be a mere restatement of a power Congress would automatically have upon adoption of the rest of the amendment. By way of analogy, Congress presently has the power to require that the States elect Representatives from districts (and it has at times exercised this power) or the Congress may actually do the dividing itself. This power is derived from section 4 of article 1 of the Constitution authorizing it to regulate the places and manner of holding elections for Representatives. Under clause 18, section 8, article 1, Congress has the power to make all laws necessary and proper for carrying into execution the foregoing power. See 42 Harvard Law Review 1017, note 4, and *Colegrove* v. *Green* ((1945), 328 U. S. 549, 555).

The amendment submitted does not alter the present constitutional and statutory provisions relating to the time of choosing electors found in article II, section 1, clause 4, and 48 Statutes 879, codified 62 Statutes 672 as United States Code, section 1.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MCNAMARA:

Statement prepared by him on the 134th anniversary of Greek independence.

By Mr. BIBLE:

Article entitled "More Shipbuilding on West Coast Is Predicted by Senate Leader," published in the New York Times of March 23, 1955, and having reference to an address delivered by Senator MAGNUSON before the Western States Council at San Francisco, Calif.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, the Senate received today the following nominations: Joseph E. Jacobs, of South Carolina, a Foreign Service officer of the class of career Minister, to be Ambassador of the United States to Poland, John M. Allison, of Nebraska, Ambassador to Japan, to serve concurrently and without additional compensation as the Representative of the United States to the 11th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations, and Joseph C. Satterthwaite, of Michigan, a Foreign Service officer of class 1, to be Ambassador of the United States to Burma, vice William J. Sebald, resigned. I desire to give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

THE LATE WALTER WHITE

Mr. LEHMAN. Mr. President, at this very moment, funeral services are being held in New York for a very great American, Mr. Walter White, who died last Monday.

I had the honor of Walter White's friendship for more than 30 years, during all of which I was associated with him as a director of the National Association for the Advancement of Colored People. Walter White was an unusually courageous and farsighted leader who helped mold a small group of people—the founders and early members of the NAACP—into an influential, effective and highly respected organization. He was a great and unflinching fighter for freedom and justice. It is noteworthy that his efforts were directed to securing and maintaining civil rights and liberties, justice, and equality for not only the people of his own race, but for all the people of our country and, in fact, for all the people of the world. He was utterly selfless in his devotion, and gave of himself without stint or fear to the causes he served so long and so well. I mourn his passing as a close and dear friend and as a well-nigh irretrievable loss to the cause of freedom and equality to which he had devoted his life.

Mr. President, there have appeared yesterday and today in many of the newspapers, editorials eulogizing Walter White. These editorials, moving as they are, inevitably inadequately describe the qualities of heart and mind of this great man. His deeds and his principles speak for themselves, and will long be remembered. I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, editorials which appeared in the New York Times, the New York Herald Tribune, the New York Post, and the Washington Post and Times Herald.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of March 23, 1955]

WALTER WHITE

Walter White was the adviser of statesmen and soldiers, in peace and war. His work for the Negro was enormously effective over more than three decades. That he was the author of President Roosevelt's Executive order on fair employment practices in war industries is but one evidence out of many of the weight of his counsel and his vision. In his post of executive secretary of the National Association for the Advancement of Colored People he was at the center of the conflict between bigotry and democracy which the so-called race question involves. Considerable progress has been made, in recent times here, in resolving this conflict. A great deal of what has been achieved can be directly traced to his influence.

Blue-eyed and fair of color, Walter White did not need to identify himself as a Negro. He did so deliberately and in its way this act made a special mockery of race discrimination.

[From the New York Herald Tribune of March 23, 1955]

WALTER WHITE

Walter White was one of the most important leaders in one of the most important struggles of his day. As executive secretary of the National Association for the Advancement of Colored People, he was regarded as a leader and spokesman for the American Negro, a man who had long ago earned the affection of his own people and the respect of others.

In his long service to the Negro, Mr. White had seen the virtual elimination of lynching, the enactment of fair employment laws, the reduction of discrimination, the outlawing of segregation in the Armed Forces, the approach, heralded by the Supreme Court decision, of racial integration in the Nation's schools. For all these objectives he had labored zealously and devotedly; he crusaded not by inflaming passions or by preaching violence, but by putting his faith in democratic ways and the conscience of his fellow citizens. And he lived to see his faith and hope justified.

Walter White might have led a different life, apart from racial strife. He was but one-sixty-fourth Negro and could have, if he had chosen, remained a white man to the world. But his people needed him and perhaps he, too, needed them. With their help and the help of other friends, he accomplished much. If, when he died, much still remained to do, none knew better than Walter White that freedom is a never-ending job.

[From the New York Post of March 23, 1955]

THE BURDEN OF WALTER WHITE

The perpetual irony in the story of Walter White, who served so long and well as executive secretary of the National Association for the Advancement of Colored People, was that his complexion was white. This accident of life dramatized better than any phrase the irrationality of racial prejudice. He could have been spared the casual rebuffs and systematic cruelties inflicted on Negroes; yet he felt a profound impulse to proclaim his racial identity.

What fascinated him was the way social attitudes could be altered by his simple announcement to almost any company of strangers that White was black. After all he was still the same man who had been greeted with cordiality just a moment before; why was there sudden embarrassment, hostility and aloofness as soon as he called himself Negro?

Thus he went through life zestfully parodying all the myths of racial supremacy and valiantly battling for a world which would be truly color blind. As long as there were bigots, he preferred to be among the hated rather than the haters; as long as any men were to be judged by their skin, he chose to be among the condemned.

Though he fought a thousand good fights for human equality and simple decency, Walter White remained remarkably devoid of bitterness. In the worst moments he may have been sustained by the cosmic joke which he had been fortuitously enabled to play on the intolerant men whose faces were no whiter than his own.

[From the Washington Post and Times Herald of March 24, 1955]

WALTER WHITE

It was given to Walter White to enter and experience much of the promised land to which he led his people. As a boy in Atlanta, Ga., he knew at first hand the horror of race rioting and the ugliness of a lynch mob. He lived through racial discrimination in housing and schooling and recreation. But before his death the pattern of race relations in the United States had undergone a tremendous transformation. Violence against the Negro had virtually disappeared from the South. And segregation in public facilities had been declared by the courts of the land to be in contravention of the Constitution.

As executive secretary of the National Association for the Advancement of Colored People, Walter White played a dynamic part in effecting this change. And as a man, Nordic in appearance and predominantly of Caucasian ancestry, who chose freely to identify himself as a Negro, he played a dramatic part in helping his fellow Americans to understand the folly of race prejudice. He gave his life to a heroic cause now well on its way to triumph.

Mr. SMITH of New Jersey. Mr. President, I am glad to associate myself with the remarks made by the Senator from New York [Mr. LEHMAN] regarding the late Walter White. A few days ago, when notice of Mr. White's death appeared in the newspapers, I made a brief statement on the floor of the Senate; and at this time I am glad to renew that statement, in behalf of that great American.

THE POSTAL PAY BILL—NOTICE OF SPEECH

Mr. ROBERTSON. Mr. President, I understand that when the Senate concludes action on the cotton bill, it will take up the postal pay increase bill. Therefore, I desire to announce that after the chairman of the committee has explained that bill, and after the ranking Republican member of the committee, the Senator from Kansas [Mr. CARLSON], has submitted his substitute, I shall seek recognition, to explain and discuss what will then be before the Senate. I shall deal primarily with the history of the Post Office Department.

The Post Office Department has been in operation now nearly 166 years. While it is a vast establishment, as compared with what Benjamin Franklin had 166 years ago, I think it would be helpful to us, in legislating on postal rates and the pay of postal employees, and as a guide to what we should do, to refresh

our memories regarding what those who started this experiment in socialism, if you please, namely, government control of a monopoly, had in mind, and how they operated it.

I recognize that the burdens of all Members of the Senate have become so onerous in our $60 billion government that not many Members can remain on the floor to hear the debate, no matter how vital it may be. Therefore, I make this announcement in the hope that before we vote on the postal pay, some Members, at least, will take the time to review in the RECORD what I have to say about the bill, as a guide, perhaps, for our future policy.

I wish to say that I do not propose to make a lengthy speech; and I shall not vary from manuscript, because I shall have no manuscript.

SOME TREATIES AND AGREEMENTS BROKEN BY SOVIET RUSSIA

Mr. KNOWLAND. Mr. President, in recent days there have been some discussions regarding the possibility of a 4-power meeting by the heads of states, whether such a meeting would be advisable, what preliminary steps should be taken, and what consideration should be given as to whether the Soviet Union should be expected to perform by deeds, rather than by words.

Mr. President, for the information of the Senate and the country, and lest anyone believes that a mere meeting of the heads of states would solve the problem, I think we should consider what has happened to other agreements the Soviet Union has entered into.

The following treaties and agreements concluded by the U. S. S. R. were broken when Soviet Russia occupied eastern Poland at the beginning of World War II; imposed the Mutual Assistance Pacts upon Estonia, Latvia, and Lithuania in October 1939; invaded Finland in November 1939; and absorbed the three Baltic States, Bessarabia, and northern Bukovina in 1940:

First. Peace treaties, 1920 to 1921: These peace treaties concluded between Soviet Russia and Finland, Estonia, Latvia, Lithuania, and Poland contained the principle of respecting one another's territorial integrity. In a protocol agreed to at the Warsaw conference of March 1922, the sanctity of the peace treaties was affirmed by Finland, Estonia, Latvia, Poland, and Soviet Russia.

Second. The Litvinov Protocol, February 1929: This protocol was a declaration of adherence to the Treaty of Paris, or the Kellogg-Briand Pact, outlawing war as an instrument of national policy. It was signed by Estonia, Latvia, Lithuania, Poland, and Rumania. Finland adhered to the Treaty of Paris.

Third. Convention defining an aggressor, July 1933: Article II of the convention laid down various conditions in which aggression would be regarded as occurring. Article III stated that:

> No political, military, economic, or other considerations may serve as an excuse or justification for the aggression referred to in article II.

Among the signatories to this Convention were Estonia, Latvia, Lithuania, Poland, Finland, U. S. S. R., and Rumania.

Fourth. Pacts of nonaggression: Among the nations with which the Soviet Union concluded nonaggression pacts were Lithuania, 1926; Finland, 1932; Latvia, 1932; Estonia, 1932; and Poland, 1932.

Fifth. Pacts of mutual assistance, October 1939: These pacts were forcibly imposed upon Latvia, Lithuania, and Estonia. The imposition of these pacts did in fact violate previous Soviet promises to respect the territorial integrity and national sovereignty of the Baltic States. Moreover, each pact contained a clause reaffirming previous Soviet treaty obligations to the Baltic States. Thus, in addition to all other treaties concluded with the Soviet Union, the Pacts of Mutual Assistance were also broken when the three Baltic states were incorporated into the U. S. S. R. in 1940.

Sixth. Covenant of the League of Nations: When Soviet Russia invaded Finland in November 1940, the League of Nations formally condemned the aggressive action and expelled the Soviet Union from the League.

Among the treaties and agreements concluded with and broken by the Soviet Union since World War II are: Yalta agreement; Potsdam agreement; armistice agreement relating to the function of the Allied Control Commission in Hungary, Bulgaria, and Rumania; peace treaties with Hungary, Bulgaria, and Rumania; Cairo declaration, reaffirmed at Potsdam and subscribed to by the Soviet Union; the Soviet-Iranian Treaty of Friendship of 1921; Declaration of Teheran; Potsdam declaration defining terms for Japanese surrender; and the Sino-Soviet treaty and agreements of August 14, 1945. For an analysis of Soviet violations of these treaties and agreements, see United States Congress, House Committee on Foreign Affairs, Background Information on the Soviet Union in International Relations, 81st Congress, second session, Washington, United States Government Printing Office, 1950.

In addition to the above violations of agreements and treaties, there are the instances in which the Soviet Union has broken its pledges made to the United States in the exchange of letters of November 1933, which resulted in recognition, relating to noninterference in American affairs. In 1935, the American Government dispatched a vigorous protest against Soviet violations of this particular pledge of noninterference on the occasion when American Communist leaders gave progress reports of the revolutionary movement in the United States at the Seventh Congress of the Third International which convened in Moscow in July 1935.

I ask to have printed in the RECORD at this point as a part of my remarks certain material from House Report No. 3135, 81st Congress, 2d session, entitled "Background Information on the Soviet Union in International Relations." It is a report of the House Committee on Foreign Affairs pursuant to House Resolution 206, and it lists the Soviet violations of treaty obligations. The material begins on page 1 and extends through page 23.

There being no objection, the material referred to was ordered to be printed in the RECORD, as follows:

BACKGROUND INFORMATION ON THE SOVIET UNION IN INTERNATIONAL RELATIONS

COMMITTEE ON FOREIGN AFFAIRS,
August 25, 1950.

(Foreword)

Following is a compilation of material, based on published documents, on the record of the Soviet Union in international relations. This data has been prepared, on my instructions, by Mr. Sheldon Z. Kaplan and Mr. George Lee Millikan, consultants on the staff of the Committee on Foreign Affairs. The material assembled herein indicates some of the main currents of Soviet policy, such as treaty violations, obstructionism in the solution of international problems, and territorial expansion.

It is hoped that this compilation will serve as background information on the trends of the Soviet Union in international relations.

JOHN KEE,
Chairman.

I. SOVIET VIOLATIONS OF TREATY OBLIGATIONS

A. Germany

AGREEMENTS

1. Final delimitation of German-Polish frontier should await the peace settlement (Potsdam protocol, VIII, B, August 2, 1945).

2. Payment of reparations to leave enough resources to enable German people to subsist without external assistance. Reparation claims of U. S. S. R. to be met by removals of capital goods and appropriation of external assets. Economic controls in Germany to be limited to those essential to curb German war potential and insure equitable distribution of essential goods among zones (Potsdam protocol, II, B, 15, 19; III, 1).

3. Germany to be treated as a single economic unit (Potsdam protocol, II, B, 14).

I. SOVIET VIOLATIONS OF TREATY OBLIGATIONS

A. Germany

VIOLATIONS

1. U. S. S. R. has repeatedly maintained that the Oder-Neisse line constitutes the definitive German-Polish frontier and has approved incorporation of territory east of this line into Poland. On July 6, 1950, the Soviet-controlled Governments of Poland and Eastern Germany signed an agreement to this effect.

2. U. S. S. R. has taken large amounts of reparations from current production, has absorbed a substantial part of German industry in Soviet zone into Soviet state-owned concerns, and has otherwise exploited and drained German resources in a manner not authorized by Potsdam protocol or other agreements.

U. S. S. R. has refused to submit detailed report on any reparation removals from its zone.

3. U. S. S. R. has consistently obstructed all attempts to implement this principle. It has followed a unilateral economic policy in its own zone. In particular it has refused to cooperate in establishing a common export-import program for Germany as a whole, and in permitting "equitable distribution of

AGREEMENTS	VIOLATIONS
4. All democratic political parties to be allowed and encouraged throughout Germany (Potsdam protocol, II, A, 9).	essential commodities between the several zones so as to produce a balanced economy through Germany and reduce the need for imports." 4. Soviet authorities have restricted freedom of action of non-Communist parties by depriving them of facilities equal with the Communist-dominated Socialist Unity Party (SED); by interfering in their internal affairs, coercing their leaders, and dictating party actions; and in general by denying them the autonomy essential to democratic political organizations. The Social Democratic Party has been denied the right to operate in the Soviet zone as an independent organization.
5. Control Council agreed to prevent German political leaders or the press from making statements criticizing allied decisions or aimed at disrupting allied unity or creating hostile German attitude toward any occupying powers (Control Council Directive No. 40, October 12, 1946).	5. Soviet authorities have permitted and encouraged scurrilous propagandistic campaigns by the Soviet zone press and political leaders directed against the western powers, and particularly the United States.
6. Allied Control Authority authorized free exchange of printed matter and films in the different zones and Berlin (Control Council Directive No. 55, June 25, 1947).	6. Soviet authorities have repeatedly barred from the Soviet zone or Soviet sector of Berlin such materials originating in other zones.
7. Freedom of speech and press are guaranteed (Potsdam protocol, II, A, 10). Germany is to be prepared for eventual reconstruction of political life on democratic basis (Potsdam protocol, II, A, 3).	7. Soviet authorities have nullified any genuine freedom of speech and press through a system of suppression, intimidation and terrorism by military, police, and party authorities. A totalitarian police system is being built up which suppresses basic human rights and legal processes and indulges in arbitrary seizures of property, arrests, detentions, deportation, forced labor, and other practices contrary to democratic principles.
8. German external assets in Finland, eastern Austria, Hungary, Bulgaria, and Rumania, to be vested in the German External Property Commission (Control Council Law No. 5, October 30, 1945).	8. U. S. S. R. has directly appropriated German external assets in these countries without unvesting and assignment by the German External Property Commission as required by Control Council Law No. 5.
9. Quadripartite legislation has been enacted to provide tax uniformity and stabilization of wages in all zones (Control Council Laws Nos. 12, February 11, 1946, and 61, December 19, 1947; Control Council Directive No. 14, October 12, 1945).	9. Soviet authorities have permitted the land governments of Bradenburg and Saxony-Anhalt to grant partial tax exemptions to large groups of wage and salary earners in violation of this legislation. This move is intended to stop the exodus of skilled workers to the western zones, to encourage qualified workers to take jobs in Soviet-owned factories, and to make propaganda for improving the living standards of Soviet-zone workers.
10. All German prisoners of war to be repatriated by December 31, 1948 (Council of Foreign Ministers, Moscow, March 10–April 24, 1947).	10. U. S. S. R. did not return all German prisoners of war by this date but announced a new deadline—January 1, 1950. On May 4, 1950, U. S. S. R. declared in a Tass announcement that all German PW's had been repatriated—although large numbers still remain in the U. S. S. R.
11. By Four-Power agreement supreme authority was to be exercised by an Allied Control Council, consisting of the four commanders in chief (statement on control machinery, June 5, 1945).	11. On March 20, 1948, the Soviet commander unilaterally adjourned a meeting of the council and abruptly walked out, thereby precipitating a rupture of its operations.
12. By Four-Power agreement administration of Berlin was to be conducted by a four-power Kommandatura, consisting of the city's four commandants (statement on control machinery).	12. On June 16, 1948, the Soviet representative walked out of a meeting of the Kommandatura. On July 1, 1948, Soviet authorities announced that they would no longer participate in any meetings. These acts finally destroyed the quadripartite control machinery of Berlin. The Berlin blockade, which became total on July 2, 1948, and was not lifted until May 12, 1949, was a further effort to destroy the quadripartite status of the city.
13. Each occupying power shall insure the normal functioning of transport between Berlin and the zones as well as between the Soviet and western zones (par. 5, Paris CFM communique, June 20, 1949).	13. Since January 13, 1950, the Soviet authorities have intermittently interfered with traffic between Berlin and West Germany.
14. On repeated occasions during and after the war, U. S. S. R. agreed that demilitarization of Germany should be one of the cardinal aims of the occupation. (Crimea Conference, February 11, 1945; Berlin, June 5, 1945; Potsdam protocol, Four Power agreement on additional requirements to be imposed on Germany, September 20, 1945; Control Council Law No. 34, Dissolution of the Wehrmacht, August 20, 1946, etc.)	14. U. S. S. R. has created in Eastern Germany a police force of approximately 50,000. Because of its training and equipment, this force is actually military in character.

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B. Austria

1. Obligation of Allied Council (United States, United Kingdom, France and U. S. S. R., the occupying powers) to insure the removal of all restrictions on movement within Austria of persons, goods, or other traffic; economic unity to be promoted (new control agreement of June 28, 1946, art. 4, a).

2. Obligation to open the way for the Austrian people to find economic security (Moscow declaration, November 1, 1943). Obligation of Allied Council to assist Austrian Government to recreate a sound national life based on stable economic and financial conditions; to assist Austrian Government to assume full control of affairs of state in Austria; to facilitate full exercise of Austrian Government's authority equally in all zones; to promote the economic unity of Austria (new control agreement, arts. 3, c; 3, d; and 4, a).

4. Obligations with respect to stable economic and financial conditions, free movement within Austria as a whole, and economic unity (new control agreement, arts. 3, c; 4, a).

5. Obligation to assist Austrian Government to recreate a sound and democratic national life based on respect for law and order (new control agreement, art. 3, c).

6. Obligations with respect to law and order, assumption by Austrian Government of full control of affairs of state, full exercise of Austrian Government's authority equally in all zones (new control agreement, arts. 3, c; 3, d; and 4, a).

7. Obligation with respect to full exercise of Austrian Government's authority equally in all zones (new control agreement, art. 4, a).

C. Eastern and southeastern Poland

1. Poland

"This Polish Provisional Government of National Unity shall be pledged to the holding of free and unfettered elections as soon as possible on the basis of universal suffrage and secret ballot. In these selections all democratic and anti-Nazi parties shall have the right to take part and to put forward candidates" (Crimean Conference, February 11, 1945).

"The three powers note that the Polish Provisional Government in accordance with the decisions of the Crimea Conference has agreed to the holding of free and unfettered elections as soon as possible on the basis of universal suffrage and secret ballot in which all democratic and anti-Nazi parties shall have the right to take part and to put forward candidates * * *." (Potsdam agreement, Aug. 2, 1945).

2. Hungary

1. Under the armistice agreement an Allied Control Commission was established under the chairmanship of the U. S. S. R. and with participation of the United States and United Kingdom (armistice agreement, January 1945, art. 18 and annex F).

2. The 3 heads of the Governments of the Union of Soviet Socialist Republics, the United States, and United Kingdom declared their mutual agreement "to concert during

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B. Austria

1. Soviet-instituted system of licensing specified categories of goods for shipment from eastern to other zones (December 1947) impedes free movement of goods and traffic throughout Austria as a whole.

2. Properties seized by the Soviets such as oil, land, and industrial plants are in excess of what might reasonably be construed as legitimate German assets under the Potsdam protocol. Removals of equipment and materials have been made under the guise of German assets and war booty. Soviet authorities are engaging in economic practices having a deleterious effect on the Austrian economy and which are outside the application of Austrian law.

4. Soviet authorities designate certain rolling stock as "war booty," prohibit its movement from Soviet to other zones, and propose that Austrians "repurchase" this equipment.

5. Soviets interfere with Austrian efforts to maintain law and order through arbitrary arrest or abduction of Austrians.

6. Soviet authorities in the eastern zone and in the Soviet sector of Vienna have confiscated Austrian publications and threatened the distributors of publications.

7. Soviet authorities have sought to intimidate the Austrian authorities by issuing prohibitions against the holding of local elections.

C. Eastern and southeastern Europe

1. Poland

On several occasions prior to the elections and following persistent reports of reprehensible methods employed by the government against the democratic opposition, the United States and Great Britain reminded the Polish Provisional Government of its obligations. On January 5, 1947, the British and Soviet Governments were asked to join the United States in approaching the Poles on this subject. The British Government made similar representations to the Soviet Government for Soviet support in calling for a strict fulfillment of Poland's obligations. The Soviet Government refused to participate. The British and American representations were summarily rejected by the Polish Government as "unde interference" in the internal affairs of Poland.

Of the 444 deputies elected to the Parliament in the elections of January 19, 1947, the Polish Peasant Party (reported to represent a large majority of the population) obtained only 28 places, thus demonstrating the efficiency with which the government had prepared the ground. On January 28, the Department of State issued a press release stating that reports received from our Embassy in Poland immediately before and after the elections, based upon the observations of American officials, confirmed the fears this Government had expressed that the election would not be free.

2. Hungary

1. The Soviet representative on the ACC for Hungary consistently acted unilaterally in the name of the ACC without consultation or notice to his American and British colleagues, thus denying them any semblance of effective participation in the work of the ACC.

2. Contrary to the agreement, the U. S. S. R., acting through the Hungarian Communist Party and its own agencies and armed forces in Hungary, unilaterally subverted the will of the Hungarian people to totalitarianism in negation of fundamental freedoms. For example:

(a) General Sviridov, Deputy Soviet Chairman of the ACC, without consulting the United States and United Kingdom ACC representatives, dissolved Catholic youth organizations, June 1946.

(b) Soviet armed forces arrested Bela Kovacs, member of Parliament and former secretary general of Smallholders Party, February 1947.

(c) General Sviridov precipitated a political crisis enabling the Communist minority to force the resignation of Prime Minister Nagy, May–June 1947.

(d) The Soviet Government refused repeated United States proposals to join in tripartite examination of Hungary's economic situation to assist Hungary to solve its pressing economic problems, 1946.

(e) Discriminatory economic agreements were forced upon Hungary, including the establishment of joint Soviet-Hungarian companies, 1945–1947.

(f) The Soviet ACC representative contended that only the occupational forces which control the airfields can permit the Hungarian Government to negotiate air agreements. Notwithstanding, Soviet authorities formed a Hungarian-Soviet civil air transport company. The Hungarian Government was also permitted to negotiate agreements with certain other countries but not with the United States or Britain.

3. Despite repeated requests, the U. S. S. R. declined to discuss the revision of procedures for the Control Commissions as agreed at Potsdam. Instead, it continued to act unilaterally in the name of the Commissions in matters of substance without consultation with, or notice to, the United States and United Kingdom members. For example:

(a) Instructions were issued by the Soviet High Command regarding the size of the Hungarian Army without consulting the British or United States representatives.

(b) Without the knowledge of the United States the Soviet deputy chairman of the ACC ordered the Hungarian Government to disband certain Catholic youth organizations in June–July 1946. He also recommended dismissal of certain government officials.

(c) In the fall of 1946 and without consulting the Americans or British, the Soviet element of the ACC gave permission to form the Hungarian Freedom Party.

(d) Early in 1947 the Hungarian police were ordered by the Soviet chairman in the name of the Allied Control Commission to suppress the publication of Count Ciano's diary.

(e) In early 1947 the Soviet chairman stated he had personally given approval to the Hungarian Government to resume diplomatic relations with certain countries in the name of the Allied Control Commission and without prior discussion with the British or Americans.

(f) In May 1947 the ACC chairman refused the United States permission to visit Hungarian Army units.

(g) Soviet authorities refused to permit free movement of the American element of the Allied Control Commission (also applicable to Bulgaria).

(h) The Soviets refused to transmit to the American representative data on the arrest of Bela Kovacs by the Soviet Army.

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the temporary period of instability in liberated Europe the policies of their 3 Governments in assisting the peoples liberated from the domination of Nazi Germany and the peoples of the former Axis satellite states of Europe to solve by democratic means their pressing political and economic problems" (Yalta agreement, February 1945).

3. Upon the cessation of hostilities, it was agreed at Potsdam that the United States, United Kingdom, and U. S. S. R. would consult to revise the procedures of the Allied Control Commissions for Rumania, Bulgaria, and Hungary to provide for effective participation by the United States and United Kingdom in the work of those bodies (Potsdam protocol XI, August 1945).

3. Bulgaria

1. The armistice agreement established an Allied Control Commission under Soviet direction during the period of hostilities but with United States and United Kingdom participation (armistice agreement, October 1944, art. XVIII).

2. Bulgaria was obligated to restore United Nations property, to make reparation for war damage as later determined, to restore all

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3. Bulgaria

1. The Soviet chairman of the ACC repeatedly took unilateral action in the name of the ACC and without consultation with his United States or United Kingdom colleagues, thus effectively negating United States and United Kingdom participation.

2. The U. S. S. R. has aided and abetted the Bulgarian Government's failure in varying degrees, to fulfill these provisions of the

AGREEMENTS

United Nations rights and interests, and to make available to Greece and Yugoslavia immediately on reparation account foodstuffs in quantities to be agreed by the United States, United Kingdom, and Union of Socialist Soviet Republics (armistice agreement, October 1944, arts. IX, X, XI, and par. 1 of protocol).

3. The three heads of the Governments of the Union of Soviet Socialist Republics, the United States, and United Kingdom declared their agreement to concert during the temporary period of instability in liberated Europe their policies in assisting the liberated peoples to solve their political and economic problems by democratic means. (Yalta Agreement on Liberated Europe, February 1945).

4. The United Kingdom, United States, and U. S. S. R. stated they had no doubt that representatives of the allied press would enjoy full freedom to report to the world upon developments in Bulgaria (Potsdam communiqué X, August 1945).

5. The Potsdam agreement provided that upon the termination of hostilities, consultations should be held to revise the procedures of the Allied Control Commissions for Rumania, Bulgaria, and Hungary to provide for effective three-power participation in the Commissions (Potsdam protocol XI, August 1945).

6. The U. S. S. R. undertook to give friendly advice to the Bulgarian Government regarding the desirability of including in the Government two representatives of democratic groups, "who (a) are truly representative of the groups of the parties which are not participating in the Government, and (b) are really suitable and will work loyally with the Government" (Moscow Conference, December 1945).

4. Rumania

1. The three heads of the governments of the Union of Soviet Socialist Republics, the United States, and United Kingdom declared "their mutual agreement to concert during the temporary period of instability in liberated Europe the policies of their three governments in assisting the peoples liberated from the domination of Nazi Germany and the peoples of the former Axis satellite states of Europe to solve by democratic means their pressing political and economic problems." (Yalta agreement on liberated Europe, February 1945.)

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armistice. The Soviets have refused to consider with the United States and United Kingdom Bulgaria's obligation to restore and restitute United Nations property and interests. While deliveries of foodstuffs were made to the Yugoslavs unilaterally, the U. S. S. R. has blocked three-power consideration of amounts to be shipped to Greece. None has been shipped to that country.

3. The Soviet Government has consistently refused to agree with the United States and United Kingdom on policies to assist the people of Bulgaria to solve their political and economic problems democratically. On the contrary, the Soviet Government, through the local Communist Party, has unilaterally subverted representative democratic processes in Bulgaria and assisted in denying the Bulgarian people the exercise of fundamental freedoms. For example, in 1945 Soviet authorities unilaterally interfered in the internal affairs of Bulgaria's largest political party by demanding and obtaining the replacement of Dr. G. M. Dimitrov as Secretary General of the Agrarian Union.

4. The Soviet Chairman of the ACC consistently thwarted American press coverage of Bulgarian developments by negative or extremely dilatory action on United States Government requests for entry permits for reputable American correspondents. However, representatives of the Daily Worker and other left-wing periodicals were permitted to enter Bulgaria without difficulties.

5. The Soviet Government refused repeated United States and United Kingdom requests to consult as agreed. It continued to operate the Allied Control Commissions unilaterally without effective participation of or even, on occasion, knowledge of the United States and United Kingdom members.

6. The Soviet authorities, despite the Moscow agreement, sided with and abetted a minority Bulgarian Communist regime in thwarting the implementation of that agreement and prevented the broadening of the Bulgarian Government.

4. Rumania

1. Contrary to its agreement the U. S. S. R., acting through the Rumanian Communist Party and its own agencies and armed forces in Rumania, systematically and unilaterally subverted the democratic will of the Rumanian people to totalitarianism in negation of their fundamental freedoms. Major examples are as follows:

(a) By unilateral intervention Soviet occupation authorities and Vishinsky (February–March 1945) effected the overthrow of Premier Radescu's interim representative government and installed a Communist-controlled regime.

(b) Unilateral support of Premier Groza's retention of office in defiance of the king's demand for his resignation and the United States request for tripartite consultation in response to the king's appeal (August 1945).

(c) Direct and indirect unilateral interference by the Soviet occupation authorities in the election campaign of 1946, including the use of Soviet troops to break up meetings of the opposition, and arbitrary exercise of censorship.

(d) Preclusive exploitation of the Rumanian economy, from 1944 onward, through (1) armistice extractions many times in excess of the requirements of the armistice agreement and in large measure unauthorized by that agreement, (2) the establishment of Soviet-controlled joint companies covering the principal economic activities of Rumania, and (3) commercial agreements the knowledge of whose terms was repeatedly refused to the other two Yalta powers.

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2. Agreed at Potsdam that the Allied Control Commission procedure should be revised to provide for effective United States and United Kingdom participation in the work of those bodies (Potsdam protocol XI, revised Allied Control Commission procedure in Rumania, Bulgaria, and Hungary).

3. The three Governments stated that they had no doubt that, in view of the changed conditions resulting from the termination of the war in Europe, representatives of the allied press would enjoy full freedom to report to the world upon developments in Rumania.

5. The peace treaties

Upon the ratification of the treaties of peace with Hungary, Bulgaria, and Rumania on September 15, 1947, the armistice period and the authority of the Allied Control Commissions came to an end. On this date the treaties entered into force and the three Governments regained a type of nominal sovereignty. In fact, however, the U. S. S. R. continued to exercise tutelary powers over them. In consequence the implementation of the treaties was characterized by subservient fulfillment of obligations toward the U. S. S. R., but by evasion, delay, and

(A) Hungary

Direct responsibility

Under article 40 of the "Treaty of Peace" any dispute over the execution of the treaty, not settled by diplomatic negotiations should be referred to the heads of the United States, United Kingdom, and U. S. S. R. missions in Budapest.

Indirect responsibility

1. Under article 2 of the peace treaty the Hungarian Government has undertaken to guarantee the enjoyment of human rights and of the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, of political opinion, and of public meeting.

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(e) Rejection of a proposal by the United States and United Kingdom in December 1946 to set up a joint commission to study the economic situation in Rumania.

(f) Unilateral intervention, from March 1945 onward, in Rumanian commercial negotiations with countries outside the Soviet orbit.

2. Despite repeated requests, the U. S. S. R. refused to consult on the procedural revision and continued unilaterally throughout the armistice period to operate the ACC in Rumania without effective participation by the United States and United Kingdom. Examples are as follows:

(a) Issuance of directives to Rumanian authorities by Soviet element of ACC without agreement of United States and United Kingdom representatives, sometimes in the face of United States and United Kingdom protests, and often without notification or discussion. Many of these directives were prejudicial to United States interests.

(b) Obstructive handling of clearances to enter Rumania for official United States personnel and aircraft.

3. In contravention of this agreement, the Soviet Chairman of the ACC by the usurpation of authority, delayed and withheld entry permits to Rumania for accredited United States correspondents, ejected several correspondents from that country on fabricated charges, and censored United States press dispatches. These obstructive tactics, which continued throughout the armistice period, were particularly in evidence prior to the Rumanian elections of November 1946.

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violations of obligations to the western allies. The Soviet Union condoned and in many cases abetted these infringements and, as the tutelary power, must bear responsibility for them. As a result of this peculiar relationship between the U. S. S. R. and these Governments, it will be necessary to distinguish between treaty violations, for which the U. S. S. R. bears direct responsibility, and other infringements, committed by the Soviet-sponsored governments but for which indirect responsibility must be ascribed to the Soviet Government.

(A) Hungary

Direct responsibility

On May 31, 1949, the United States requested the United Kingdom and U. S. S. R. to hold a meeting of the 3 heads of mission in Budapest to settle the dispute over Hungarian noncompliance with article 2 of the treaty—the so-called human-rights clause. The Soviet Union, in its note of June 11, 1949, refused to participate in the meeting. A second United States note, delivered on June 30, 1949, expressed regret for the Soviet Union's disregard for the provisions of the treaty, and asserted that the existence of a dispute between the United States and Hungary could not be questioned. In a memorandum dated July 19, 1949, the Soviet Union reaffirmed its contention that no basis existed for a meeting of the 3 heads of mission. Since that time the Soviet Union has consistently refused to participate in such a meeting.

Indirect responsibility

1. (a) Freedom of expression, and of press and publication, no longer exist. All nonconformist and oppositionist press organizations have been suppressed or terrorized; editors and publishers have been imprisoned or driven into exile; foreign correspondents have been expelled; hundreds of arrests and convictions have taken place on charges of spreading information prejudicial to the government.

(b) Freedom of worship has been interfered with time and again, either through

AGREEMENTS

2. Under article 10 of the treaty Hungary undertook to honor its prewar bilateral treaties with the allied and associated powers, provided that the other contracting party, within a period of 6 months from the coming into force of the treaty, notified the Hungarian Government of its desire to keep in force or revive the bilateral treaty in question.

3. Under article 23 of the treaty Hungary undertook to pay $100 million as reparations to Czechoslovakia and Yugoslavia.

4. Under article 26 of the treaty Hungary undertook to restore all legal rights and interest of the United Nations and their nationals as they existed on September 1, 1939, and to compensate such persons for property loss and war damage.

5. Where a dispute arose between Hungary and another contracting party over interpretation of the execution of the treaty, which was not resolved by the three heads of mission in Budapest, Hungary, undertook in article 40 of the treaty to appoint a delegate to a three-member commission composed of one representative of each party and a third member selected by mutual agreement by nationals of a third party.

(B) Bulgaria

Direct responsibility

Under article 36 of the peace treaty with Bulgaria any dispute on the interpretation or execution of the treaty not settled by direct diplomatic negotiations, should be referred to the three heads of mission in Sofia.

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such subtle methods as the substitution of collaborationist for existing church leaders or through such drastic procedures as those which resulted in the imprisonment of Lutheran Bishop Lajos Ordass (September 1948), Jozsef Cardinal Mindszenty (February 1949), and hundreds of Catholic priests.

(c) Freedom of political opinion has been violated in Hungary by the forceful elimination of the entire Hungarian political opposition to the Communist-controlled government.

(d) After a process of gradual extermination freedom of public meeting totally disappeared almost simultaneously with the entry into force of the treaty. Since 1948 no political party outside the Communist-dominated coalition has been allowed to hold public meetings anywhere in Hungary.

(e) The judiciary has been subverted and now serves only the group in power. Through the establishment of the so-called people's and workers' courts, the resuscitation of summary courts, the abolition of existing courts, and the abrogation of the right of free choice of legal counsel, both Hungarians and foreigners have been deprived of the due process of law. Imprisonment, torture, deportation, and forced labor have become common practice.

2. Among the prewar treaties coming under the provisions of this article was the Treaty of Friendship, Commerce, and Navigation of 1925 between the United States and Hungary. Although the United States Government duly notified Hungary within the prescribed 6-month period that it desired to keep in force this bilateral treaty, the Hungarian Government has evaded and refused to fulfill its obligations in at least two instances. It seized United States property. It arrested two United States citizens, Vogeler and Jacobson, and held them incommunicado without access to United States consular officers.

3. On February 27, 1949, the Yugoslav Minister to Hungary delivered a note to the United States Legation in Budapest stating that the Hungarian Government had failed to abide by article 23 of the treaty and that, as a result of the ill will of the Hungarian Government the enforcement of article 23 could not be carried out by direct negotiations between the two governments. The Hungarian Government has to this day failed to comply with article 23 of the treaty. The Soviet Government has refused to participate in a meeting of the three heads of mission in Budapest, as provided by article 40 of the treaty.

4. The Hungarian Government has given no indication that it intends to compensate American citizens for property loss and war damage. On November 8, 1949, the United States Legation in Budapest transmitted to the Hungarian Minister for Foreign Affairs 4 new claims and additional evidence on 116 previous claims. Although receipt of the note was acknowledged, no action has been taken by the Hungarian Government to fulfill the 120 claims.

5. On August 1, 1949, and on January 5, 1950, the United States Government requested the Hungarian Government to designate its representative to a commission to be established for the settlement of a dispute arising under article 2 (the human-rights clause) of the treaty. On January 17, 1950, the Hungarian Government declared the formation of a commission to be unfounded and unnecessary.

(B) Bulgaria

Direct responsibility

On May 31, 1949, the United States requested the United Kingdom and the U. S. S. R. to convene a meeting of the three heads of missions in Sofia to settle the dispute over Bulgarian noncompliance with article 2 of the peace treaty. The Soviet Union in its note of June 11, 1949, refused

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Indirect responsibility

1. Under article 2 of the peace treaty, the Bulgarian Government has undertaken to guarantee the enjoyment of human rights and of the fundamental freedoms.

2. By the terms of the peace treaty with Bulgaria the armed forces of the Bulgarians are limited to 55,000 land troops, including frontier troops, 1,800 antiaircraft personnel, 90 aircraft including reserves of which not more than 70 may be combat types, with a total personnel strength of 5,200. Bulgaria is prohibited from acquiring any aircraft designed primarily as bombers with internal bomb-carrying facilities. Also personnel in excess of these provisions must be disbanded within a period of 6 months after the treaty enters into effect. Personnel not included in the Army, Navy, or Air Force shall not receive any form of military, naval, or military training. Construction to the north of the Greco-Bulgarian frontier of permanent fortifications where weapons capable of firing into Greek territory can be emplaced is forbidden. Construction of permanent military installations capable of being used to direct or conduct fire into Greek territory is also forbidden. (Arts. 9, 10, 11, 12, pt. III, section, Treaty of Peace With Bulgaria.)

(C) Rumania

Direct responsibility

Articles 37 and 38 of the Rumanian Peace Treaty provided that the "Heads of the dip-

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to convene the three heads of mission on the grounds that it "did not see any grounds for convening." The U. S. S. R. in the same note declared that "not only are the measures (of the Bulgarian Government) concerning which the United States of America has expressed its dissatisfaction not only not a violation of the peace treaty, but on the contrary are directed toward the fulfillment of the said treaties which obligate the said countries to combat organizations of the Fascist type." The United States note of June 30, 1949, confirmed the existence of a dispute between Bulgaria and the United States over the peace treaty. The Soviet memorandum of July 19, 1919, reaffirmed the Soviet contention that no basis for a meeting existed. The Soviet Union has consistently maintained its obduracy on this matter.

Indirect responsibility

1. The U. S. S. R. has aided and abetted the Bulgarian Government in failing to fulfill article 2 of the peace treaty. In its note of June 11, 1949, Bulgaria specifically violated article 36 of the peace treaty by refusing to convene the three heads of mission to discuss the problem and work out a solution on the grounds that the "U. S. S. R. does not see any grounds for convening." The U. S. S. R., in its note of June 11, 1949, declared "that not only are the measures (of the Bulgarian Government) concerning which the Government of the United States of America expressed its dissatisfaction not only not a violation of the peace treaty, but on the contrary, are directed toward the fulfillment of said treaties which obligate the said countries to combat organizations of the Fascist type."

2. The U. S. S. R. has openly aided and abetted the Bulgarian Government in failing to fulfill completely and in completely ignoring these provisions of the peace treaty (arts. 9, 10, 11, and 12) in various ways.

The Soviet Union has openly aided and encouraged the Bulgarian Government to ignore the numerical limitations on the Bulgarian armed forces by supplying arms, ammunition, and equipment in excess of that needed for the force established by the treaty. In addition, the U. S. S. R. has by negative and extremely dilatory acts tolerated Bulgarian failure to disband these forces as required by article 10 of the peace treaty. The U. S. S. R., by the use of negative and obstructionist tactics aided and abetted the Bulgarian Government in the formation, maintenance, and training of para-military organizations, i. e., the militia, and the use of these organizations by the Bulgarians to violate both the spirit and the letter of article 2. The Soviet Government has also refused to participate in any conventions provided for in article 36 of the peace treaty to settle disputes over the interpretation or execution of the treaty. When the United States Government requested information on the Bulgarian armed forces (Note 263, March 5, 1948), the Bulgarian Government, with the tacit consent of the Soviet Union, was encouraged to deny the information. This was a violation of the right of the United States and United Kingdom under the treaty to request the information and confirm it by investigation. The Soviet note (No. 056 of February 16, 1948) declining the United States-United Kingdom invitation for a Soviet representative to participate in a proposed survey of the Greco-Bulgarian border is further evidence on this point. Moreover, the Bulgarian Government was encouraged by the Soviet Union to reply that, under the terms of the peace treaty, the matter should be referred to the United States, United Kingdom, and U. S. S. R. diplomatic missions.

(C) Rumania

Direct responsibility

Contrary to these provisions, the Soviet Government has consistently refused to co-

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lomatic missions in Bucharest of the Soviet Union, the United Kingdom, and the United States of America, acting in concert, will represent the Allied and Associated Powers in dealing with the Rumanian Government in all matters concerning the execution and interpretation of the present treaty" and that "any dispute concerning the interpretation or execution of the treaty which is not settled by diplomatic negotiations shall be referred to the three heads of the mission."

Indirect responsibility

Under article 3 of the Peace Treaty the Rumanian Government has undertaken to guarantee the enjoyment of human rights and the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, political opinion, and public meeting.

(D) Korea

1. In the Cairo Declaration of December 1943, the United States, the United Kingdom, and China pledged their determination that Korea would "in due course" become free and independent. This pledge was reaffirmed in the Potsdam Declaration of July 26, 1945, and was subscribed to by the Soviet Union when it declared war against Japan on August 8, 1945. The defeat of Japan made it possible for Korea to look forward to independence.

2. The Soviet Union and the United States agreed to reestablish movement of persons, motor, rail transport, and coastwise shipping between the zones of North and South Korea (agreement of Joint United States and Union of Soviet Socialist Republics Conference, January–February 1946).

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operate with the American and British chiefs of mission in Bucharest and has in consequence reduced the treaty, repeatedly violated by the Rumanian Government, to a dead letter.

On May 4, 1948, the American Minister to Bucharest requested that an early meeting of the heads of the diplomatic missions in Bucharest be arranged to consider the implementation of the military clauses of the Treaty of Peace with Rumania. Both the Soviet and British chiefs of mission agreed to the meeting, which was scheduled for May 18, 1948. However, the Soviet Ambassador canceled the scheduled meeting because he was indisposed. On May 26, 1948, he informed the American Minister that there was no necessity for the proposed meeting and no grounds for putting the proposal into effect.

Indirect responsibility

On April 2, 1949, the United States charged Rumania with a violation of article 3 of the peace treaty. As Rumania denied that it had violated the treaty and indicated its unwillingness to adopt the requested remedial measures, the United States informed Rumania that in its view a dispute had arisen over the interpretation and execution of the peace treaty. The United States invoked article 38 of the treaty providing for the settlement of such disputes by the heads of the diplomatic missions of the United States, United Kingdom, and the Soviet Union. On May 31, 1949, the United States chief of mission in Bucharest requested his Soviet and British colleagues to meet with him to consider the dispute. In a note of June 11 to the United States, the Soviet Union declined to authorize its representative to discuss the matter, stating that Rumania was fulfilling exactly its treaty obligations and that the United States was attempting to interfere in the internal affairs of Rumania. On June 30 the United States sent a further note to the Soviet Government declaring that the attitude of the Soviet Government showed its unwillingness to act in accordance with treaty procedures and represented an obstacle to the settlement of dispute. It asked the Soviet Government for reconsideration. In a note dated July 19, the Soviet Government refused to reconsider its position.

The Soviet Government refused to cooperate in the execution of the Peace Treaty and even encouraged Rumania to defy America in its requests for the implementation of the treaty. Thus, the Rumanian Government has systematically and willfully violated nearly all articles of the treaty, especially those dealing with human rights and military matters.

(D) Korea

1. Every effort to give effect to this provision has been thwarted by the U. S. S. R. North of the 38th parallel, which has become a part of the Iron Curtain, the Soviet Union established a Communist regime. The formal creation of this regime, the so-called Democratic People's Republic of Korea," claiming jurisdiction over the entire country, was proclaimed on September 9, 1948. This aggressor regime has lived, as it was created, in complete defiance of the United Nations.[1]

2. The Soviet command in North Korea has since 1946 refused to discuss or implement the agreements reached on these matters, resisting efforts toward reestablishing the natural economic unity of the country. Concessions to economic coordination have been made only on a barter basis. No regularized movement of persons or transport has been established beyond that allowing th limited supply by the United States of its outposts accessible only by roads through Soviet-occupied territory.

[1] A full account of this situation will be found in the report of the House Foreign Affairs Committee, Background Information on Korea (H. Rept. 2495, 81st Cong.).

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3. The Moscow agreement provided for consultation by the Joint United States and Unio of Soviet Socialist Republics Commission with "Korean democratic parties and social organizations" in the preparation of proposals for the formation of a provisional Korean government (Moscow agreement, December 27, 1945, III, 2).

4. The Joint United States and U. S. S. R. Commission agreed to consult with political groups "truly democratic in their aims and methods," who would declare their willingness to "uphold the aims of the Moscow decision," "abide by the decisions of the Joint Commission in * * * the formation of a provisional Korean government * * *." (Joint Commission communiqué No. 5, April 18, 1946).

5. A signature of communiqué No. 5 (later included in decision No. 12) will be accepted as a declaration of good faith with respect to upholding fully the Moscow agreement and will make the signatory party or organization eligible for consultation by the Joint Commissions. Such signatories who, after signing the communiqué, foment or instigate active opposition to the Joint Commission, the two powers, or the Moscow agreement, can be declared ineligible for consultation only by mutual agreement of the two delegations on the Joint Commission (exchange of letters between Secretary Marshall and Foreign Minister Molotov, May 2 through May 12, 1947, citing the November 26, 1946, December 24, 1946, exchange of letters between the Soviet and American commanders).

(E) Iran

1. Article IV of the 1921 Soviet-Iranian Treaty of Friendship stated: "In consideration of the fact that each nation has the right to determine freely its political destiny, each of the two contracting parties formally expresses its desire to abstain from any intervention in the internal affairs of the other."

2. Article IV of the 1942 Union of Soviet Socialist Republics-United Kingdom-Iran Tripartite Treaty of Alliance stated: "It is understood that the presence of these forces [Soviet and British] on Iranian territory does not constitute a military occupation and will disturb as little as possible the administration and security forces of Iran, the economic life of the country, the normal movements of the populations, and the application of Iranian laws and regulations."

3. The Declaration of Teheran of December 1, 1943, stated: "The Governments of the United States, the Union of Soviet Socialist Republics, and the United Kingdom are at one with the Government of Iran in their desire for the maintenance of the independence, sovereignty, and territorial integrity of Iran."

4. United Nations Charter, article 2, paragraph 4, states: "All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any manner inconsistent with the purposes of the United Nations."

5. Article II of the 1927 Soviet-Iranian Treaty of Friendship stated: "Each of the high contracting parties undertakes to refrain from any aggression and from any hostile acts directed against the other party, and not to introduce its military forces into the territory of the other party."

6. In article IV of the same treaty it stated that the U. S. S. R. and Iran undertook: "not to encourage or to allow in their respective territories the formation or activities of: (1) organizations or groups of any description whatever, whose object is to overthrow the government of the other contracting party by means of violence, insurrection, or outrage; (2) organizations or groups usurping the office of the government of the other country or of part of its territory, also hav-

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3. The U. S. S. R. delegation on the Joint Commission consistently refused to allow such consultation except under unilateral interpretations of the phrase "democratic parties and social organizations," which, in each case, would exclude all but pro-Soviet political groups.

4. The U. S. S. R. delegation refused to consult with groups adhering to communiqué No. 5 if the representatives of the group had ever expressed opposition to the provision for placing Korea under the period of trusteeship envisaged in the Moscow agreement.

5. The U. S. S. R. delegation refused to adhere to the agreement when an attempt was made to schedule the party consultations. Despite the signature of communiqué No. 5, assurances of cooperation with the Commission, and a pledge to refrain from fomenting or instigating active opposition, the U. S. S. R. delegation unilaterally asserted that the members of a so-called antitrusteeship committee could not be consulted by the Joint Commission.

(E) Iran

1. The Soviet Government admitted in a note to the United States on November 29, 1945, that Soviet forces in Iran had prevented Iranian troops from taking action after the outbreak against the Iranian Government in northern Iran. This action constituted at least indirect Soviet aid to the Azerbaijan separatists and interference in the internal affairs of Iran.

2. Under the terms of the tripartite treaty, the U. S. S. R. pledged itself to respect the territorial integrity, sovereignty, and political independence of Iran, and to disturb as little as possible the administration and the security forces of Iran, the economic life of the country, and the application of Iranian laws and regulations. Violations of these pledges occurred both before and after the end of hostilities.

3. The U. S. S. R. expressed a desire in the Tehran Declaration for the maintenance of the independence, sovereignty, and territorial integrity of Iran in accordance with the principles of the Atlantic Charter. By supporting the Azerbaijan separatists, while occupying Iran, and by its refusal to evacuate its troops except under United Nations pressure, the U. S. S. R. violated its commitment.

4. The Iranian appeal to the Security Council in January 1946 was based upon charges of Soviet interference in the internal affairs of Iran.

5. The U. S. S. R. has on repeated occasions violated this article by sending Soviet armed forces into Iranian territory.

6. Soviet broadcasts to Iran have repeatedly attacked the Iranian Government on false grounds, incited the Iranian people to violent action against it, and supported the illegal Tudeh Party.

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ing as their object the subversion of the government of the other contracting party by the above-mentioned means, a breach of its peace and security, or an infringement of its territorial integrity."	
(F) Japan	(F) Japan
1. Potsdam declaration defining terms for Japanese surrender (July 26, 1945). The Potsdam declaration stipulates that "Japanese military forces, after being completely disarmed, shall be permitted to return to their homes with an opportunity to lead peaceful productive lives."	On April 22, 1950, Tass announced that the Soviet Government had completed the repatriation of Japanese "prisoners of war" from its territories, except for 2,467 men charged with war crimes or under medical treatment. However, Supreme Commander Allied Powers (SCAP) and Japanese Government figures show that as of that date 369,382 Japanese prisoners of war and civilians remained under Soviet control still unrepatriated or unaccounted for. The discrepancy is explicable either by continued detention of Japanese prisoners or an abnormally high death rate.
2. Geneva Prisoners of War Convention signed on December 8, 1949, by U. S. S. R. This convention sets forth the rights and obligations of countries holding prisoners of war.	
(G) Manchuria	(G) Manchuria
1. "The high contracting parties agree to render each other every possible economic assistance in the postwar period with a view to facilitating and accelerating reconstruction in both countries and to contributing to the cause of world prosperity" (Sino-Soviet Treaty and agreements of August 14, 1945, art. VI).	1. Department of State press release No. 907 of December 13, 1946, citing Pauley report, stated that "Industry * * * (in the three eastern provinces, also known as Manchuria) * * * was directly damaged to the extent of $858,000,000 during Soviet occupancy * * *. The greatest part of the damage to the Manchurian industrial complex * * * was primarily due to Soviet removals of equipment."
2. "* * * In accordance with the spirit of the aforementioned treaty, and in order to put into effect its aims and purposes, the Government of the U. S. S. R. agrees to render to China moral support and aid in military supplies and other material resources, such support and aid to be entirely given to the National Government as the Central Government of China. * * * "In the course of conversations * * * the Government of the U. S. S. R. regarded the three eastern provinces (i. e., Manchuria) as part of China" (note of V. M. Molotov, August 14, 1945, relating to the treaty of friendship and alliance).	2. The Chinese Government failed to receive from the U. S. S. R. the promised military supplies and other material resources called for by the treaty of 1945. On the other hand when Soviet troops left Manchuria, there is strong evidence that they allowed the Chinese Communists to take over substantial quantities of Japanese arms and assume control over the area. Chinese Government troops attempting to enter Manchuria subsequent to the Japanese surrender were denied the right to land at Dairen by the Soviet authorities there and were forced to use less advantageous landing points.
3. "The administration of Dairen shall belong to China" (agreement concerning Dairen of August 14, 1945).	3. Due in large part to Soviet obstructionism, China was unable to establish a government administration at Dairen.

Mr. KNOWLAND. In weighing judgments as to the advisability of any meeting at the summit without a demonstration by deeds rather than by words, I think it will be of interest to the Senate and to the country to note the consistent record of violations by the Soviet Union of all agreements entered into by it.

TRIBUTE TO THE LATE ANDREW W. MELLON

Mr. MARTIN of Pennsylvania. Mr. President, 100 years ago today Andrew W. Mellon was born in the city of Pittsburgh, Pa.

I call this centennial anniversary to the attention of my colleagues in order to pay tribute to the greatness of this distinguished American and to recall his outstanding service to the United States and the world.

Andrew Mellon was a builder who worked constantly and courageously to create a better, happier, and more prosperous America. His father, Thomas Mellon, was a poor Scotch-Irish immigrant. He had no social or economic background when he came to America, but he had other assets of great value. He brought courage, honesty, integrity, strength of character, and the will to work.

He cherished the principles of America, individual freedom and opportunity. The same fine characteristics descended to his four sons.

From his early youth, Andrew Mellon prepared for a life of usefulness. He regarded the fortune committed to his care as a tool with which to expand industrial enterprise, to create new products for the benefit of mankind, to broaden employment opportunities for our working men and women, and to make a richer, fuller life for the community and the Nation.

He was a courageous pioneer of the industrial frontier. He had the vision to appreciate the tremendous opportunities and the rich rewards that were possible under the American system of free enterprise.

His genius contributed to the growth and development of many basic industries, such as oil, steel, chemicals, coal, and aluminum—all of them adding to the material strength of our Nation and the prosperity of our people.

Closely associated with Andrew Mellon in the rise of the family industrial and banking interests was his younger brother, Richard B. Mellon, who also found time in his busy life for participation in public affairs, in educational activities, and in the church.

Today the honorable traditions and the responsibilities of the Mellon family are carried forward by Gen. Richard K. Mellon, able and public-spirited son of Richard B. Mellon.

Andrew Mellon presided over a widespread industrial empire, but I would place greater emphasis on another phase of his long and honorable career. I would express deeper and more grateful appreciation of his vast contribution to the spiritual and cultural progress of the United States.

He was a modest man. Personal publicity was distasteful to him. In this connection I recall an incident that occurred when he was planning to make a princely gift to the people of the United States.

Several years before he announced his intention to build a magnificent center of art here in Washington he revealed his plan to me.

I congratulated Mr. Mellon and remarked that the Mellon Gallery of Art would be an everlasting monument to his memory as well as a source of cultural inspiration for generations far into the future.

But Mr. Mellon shook his head. He said he would not permit his name to be applied to the project he had in mind. He would prefer—in fact he would make it a condition of his gift—that it be designated as the National Gallery of Art, in order that others might contribute their art treasures to make the gallery truly national in character.

This unselfish desire on the part of Mr. Mellon has been fulfilled in the priceless collections that have been added, including those of Samuel H. Kress, Joseph H. Widener, Chester Dale, the Lessing J. Rosenwald collection of prints, and gifts of painting and sculpture from many other donors.

Mr. Mellon's interest in beauty extended to the city of Washington and he pushed forward with his accustomed vigor a plan to make it one of the most impressive and most beautiful capitals of the world.

His plan contemplated the erection of monumental buildings and broad avenues to make Washington a center of pride and patriotism. It was Andrew Mellon's urging that prompted President Coolidge to include in his last annual message to Congress a plea for a more beautiful Capital City. In that message President Coolidge said:

> If our country wishes to compete with others, let it not be in the support of armaments, but in the making of a beautiful Capital City. Let it express the soul of America. Whenever an American is at the seat of his Government, however traveled or cultured he may be, he ought to find a city of stately proportions, symmetrically laid out and adorned with the best there is in architecture which would arouse his imagination and stir his patriotic pride.

Congress authorized the program and appropriated the necessary funds, placing the responsibility for its execution in the hands of Mr. Mellon as Secretary of the Treasury. The Nation owes a debt of gratitude to Andrew Mellon for the dignity and beauty that is now the pride of every American who visits the Nation's Capital.

Mr. Mellon's distinguished public service as Secretary of the Treasury under three Presidents began in 1921, at a time when great financial problems were pressing upon the Nation.

We had just emerged from World War I. War expenditures had pushed the national debt up to $24 billion, the highest level up to that time in our history. Taxes were at the highest point ever levied by any nation.

It is interesting to note that the cost of operating the Federal Government in 1921 was about $5 billion. This brought a warning from Secretary Mellon.

"The Nation cannot continue to spend at this shocking rate," he declared. "The Nation's finances are sound and its credit is the best in the world," he continued, "but it cannot afford reckless or wasteful expenditures."

Andrew Mellon applied to public finance the same sound principles which had been so successful in his private business. By prudent management the budget was balanced and high wartime taxes were reduced. Year after year during Secretary Mellon's tenure in office saw a reduction in the national debt, from $24 billion in 1921 to less than $17 billion in 1931.

His career in public service was brought to a climax by his appointment by President Hoover as Ambassador to Great Britain, a post in which he served with honor and distinction.

But the work instituted by Andrew Mellon and other members of his family continues to benefit mankind through their generous gifts for the advancement of education and scientific research having a direct relationship to human welfare.

Outstanding among these are the Mellon Institute in the city of Pittsburgh, founded by Andrew Mellon and his brother, Richard B. Mellon, as a memorial to their father, and the A. W. Mellon Education and Charitable Trust, established in 1930.

Andrew W. Mellon passed away on August 27, 1937, in his 82d year. His memory should be honored by all Americans in recognition of his brilliant record of achievement, his unselfish devotion to the public good, his unfailing adherence to sound principles in government, and his outstanding place as a benefactor of mankind.

COMPLETING THE GREAT LAKES ST. LAWRENCE SEAWAY

Mr. WILEY. Mr. President, I was pleased to read in the winter, 1955, issue of the Heartland magazine, published by the Great Lakes-St. Lawrence Association, three important comments on issues involving the future of the Great Lakes-St. Lawrence Seaway.

The first was an editorial, soundly emphasizing the importance of expanding the capacity of the Welland Canal. This editorial also stressed the vital significance of deepening the Great Lakes connecting channels, an objective for which, I for one, am striving in the form of my bill, S. 171, now pending before the Senate Public Works Committee.

Elsewhere in that issue was a fine article by Mr. F. Hugh Burns indicating the role of the connecting channels in realizing the full potentialities of the seaway.

Finally, there is an important statement by Dr. N. R. Danielian, editor and publisher of the Heartland, which expertly describes seaway traffic potentialities.

I send to the desk the text of the material which I believe represents most helpful contributions to the seaway's future, under the Wiley law, Public Law 358, of the 83d Congress. I ask unanimous consent that these items be printed in the body of the RECORD at this point.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

THE FINISHING TOUCHES

The surveys for the seaway have been made, engineers have been sounding the river bottoms, and the first cofferdams have been put in place. The St. Lawrence Seaway dream is beginning to be realized.

Before the full results of the seaway can be achieved, however, there is work to be done.

The problem of the Welland Canal deserves attention. For all States west of Lake Ontario the capacity of the seaway is limited by the capacity of the Welland. Present estimates indicate that because of these limitations, only an additional 5 to 6 million tons of general cargo traffic will be available for division among all the ports—both Canadian and American—on Lakes Erie, Huron, Superior, and Michigan. In other words, the much-hoped-for boom in the export-import trade to and from Great Lakes ports will be of minor proportions. It is our hope, therefore, that the Canadian Government can be persuaded to consider, in the not too distant future, the duplication of the single locks in the Welland Canal.

It would be possible to wait before definite steps are taken concerning this expansion if only commercial considerations were involved. From the point of view of national security of both countries, however, this problem may have to be confronted earlier. Should a national emergency develop, Great Lakes steel mills might be forced to step up shipments of Labrador ore even beyond the capacity of the present Welland Canal.

There is another bit of unfinished business which will be before the Congress of the United States, and that is the deepening of the connecting channels, so that 27-foot navigation can be brought to Michigan, Indiana, Illinois, Wisconsin, and Minnesota, as well as the Canadian cities in western Ontario. The present navigation channels are restricted to 21 feet upbound and 25 feet downbound in the Detroit, St. Clair, and Sault Ste. Marie Rivers.

This problem is of interest to all the Great Lakes ports. It is our impression that the extent of service and the number of ships that will be willing to use the seaway, and the number of ports that will be serviced directly, will depend upon the capacity of these ships to go into any of the major Great Lakes ports for available business without undue inconvenience. Thus, by supporting the deepening of these channels, all Great Lakes ports can assist in increasing the volume and diversity of foreign shipping involved in lake trade.

These problems deserve the close attention and support of all seaway enthusiasts.

COMPLETING THE SEAWAY

(By F. Hugh Burns)

In the spring 1954 issue of the Heartland, Vice Adm. Lyndon Spencer, United States Coast Guard, retired, and president of the Lake Carriers Association, Cleveland, Ohio, described in graphic terms the vital importance of the Great Lakes connecting channels not only to the Great Lakes region but to the country as a whole.

At that time, a new survey and up-to-date cost estimate by the Corps of Engineers to deepen and improve these channels was in its final phase in the office of the district engineer at Detroit. Since then, a favorable report, giving ample economic justification for this project, has been rendered by Col. Arthur C. Nauman, district engineer, approved by Col. Wendell P. Trower, division engineer at Chicago, and forwarded to the Chief of Engineers. He, in turn, submitted it to the Board of Engineers for Rivers and Harbors.

This Board unanimously approved it at a meeting on January 20, 1955, including the alternate plan for the cut-off channel in Canada at the southeast bend of the St. Clair River. It also approved, in addition, the improving of the south canal's westerly approach to the locks at St. Mary's, and an increase in its depth of 1 foot at an estimated cost of $1,300,000. As finally approved by the Board of Engineers for Rivers and Harbors, the total estimated cost of this improvement project will be:

Main project for deeping and improving	$109,027,000
Alternate proposal, SE. bend St. Clair River	5,615,000
Additional improving and deepening at St. Marys	1,300,000
Total estimated cost	115,942,000

The report will now be sent to the Governors of the affected States, viz, Minnesota, Wisconsin, Illinois, Michigan, Indiana, Ohio, Pennsylvania, and New York, as well as to any Government agencies, that may have an interest. They are permitted a period of 90 days in which to make such suggestions or comment as they may deem necessary. Upon receipt of their replies, it then goes to the Chief of Engineers for his action, endorsement and transmittal to the 84th Congress.

The study recommends that the existing project for the Great Lakes connecting channels be modified to provide for deepening and improving the channels in St. Mary's River, Straits of Mackinac, St. Clair River, Lake St. Clair, and the Detroit River, to provide for increasing the controlling depths in the upbound and downbound channels, which are now 21 feet and 25 feet, respectively, to 27 feet.

The plan for improvement of these channels includes deepening the westerly 300 feet of the 500-foot upbound Middle Neebish Channel in the St. Marys River to a minimum depth of 27 feet; also the deepening of the westerly 300 feet of the Amherstburg Channel in the Detroit River from the presently authorized but unconstructed depth of 27 feet to 27.5 and 28.5 feet for various reaches. The deepening to 27.5 feet will be for the full channel width of the upper portion of the Amherstburg Channel, where cross currents create a serious navigation problem.

The total cost of this improvement is estimated at $109,027,000.

The report also recommends that the alternate plan for the cut-off channel in Canada at the Southeast Bend, St. Clair River, be authorized for construction in lieu of further improvement of the existing river channel. This would involve an additional cost of $5,615,000 over that for deepening the existing river channel included in the plan of improvement above. If this further recommendation is accepted, it would make the total cost of the project $114,642,000.

If the plan recommended is approved and authorized, the controlling depths of the Great Lakes connecting channels will then be commensurate with the 27-foot depth project authorized for the St. Lawrence Seaway from Montreal to Lake Erie, thus bringing the new deep water channel through to the head of the lakes at Duluth.

The engineers' study of the economic benefits to be derived from this improvement reveals some interesting facts which serve to

emphasize the vital importance and need for the authorization of the project at this time.

In 1953 the total tonnage of all Great Lakes traffic amounted to 242,612,000 tons. Of this total, 32,855,000 tons were imports and exports (mostly involving Canada) and the remaining 209,757,000 tons were domestic.

Prospective commerce through the connecting channels has been estimated as follows:

	Tons
Iron ore	82,000,000
Coal	66,000,000
Grain	5,800,000
Stone	35,000,000
Petroleum	3,900,000
Total	192,700,000

The engineers found that the estimated annual charges, based on a 2½ percent interest rate and sinking fund amortization over a period of 50 years would be $4,250,000.

These channel improvements will bring a reduction in per ton transportation costs of bulk carriers from $1.02 at present to 87 cents, a saving of 15 cents, or approximately 15 percent; on self-unloaders from 81 cents to 63 cents, a saving of 18 cents, or approximately 22 percent. It has been further estimated that the annual operating cost of the entire fleet, with a capacity of 178,700,000 tons, would be reduced from $176,600,000 to $149,100,000.

Total transportation savings over a 50-year period are estimated at $279,800,000. The total annual equivalent of transportation savings over the economic life of the project is estimated at $9,868,000. Of this amount, 77 percent, or $7,600,000, can be credited to the proposed improvement of the channels as set forth in the report. This is equivalent to a benefit-cost ratio of 1.78 to 1, or $1.78 in benefits for every dollar of annual cost.

WELLAND'S CAPACITY

(By N. R. Danielian)

I shall address myself to two questions: How much more in shipping can you expect as a result of the St. Lawrence Seaway project; and how different will it be in comparison with present traffic and types of ships? The waterborne commerce on the Great Lakes was 256 million tons in the 1953 navigation season. Will this waterborne commerce increase in tonnage specifically as a result of the St. Lawrence Seaway project, and, if so, by how much and in what period of time?

An analysis of the Great Lakes commerce indicates that, with the exception of some 500,000 tons of export-import business to overseas points, which is but one-fifth of 1 percent of the total waterborne commerce of the Great Lakes, most of the rest of this business was in bulk industrial commodities such as iron ore, coal, gravel, oil, and grain products.

I know of no way of projecting, with any exactitude, the year-by-year raw material requirements of an expanding industry in the Great Lakes area. You will just have to keep an ear close to the ground and watch the trends of industrial concentration. You can anticipate a trend in favor of the Great Lakes area, but you cannot measure its future magnitude. A good deal will depend upon the initiative of the people in the various communities in making this area attractive to industrial expansion. Any so-called economist that tells you otherwise is kidding the unwary.

As to what form of shipping this expansion may require, I think, by and large, it is safe to say that present-type lake shipping will be the backbone of this business insofar as Canadian and United States sources both in the Northeast and the Northwest are the origin of the raw materials. There will be perhaps a greater use of ocean shipping to bring such raw materials where African, South American, or even perhaps east coast United States sources of supply, such as phosphate from Florida, may be brought in for local industry.

Whether this Great Lakes trade will cause the design and construction of a new-type ship which will be just as economical on the Great Lakes during the open season of navigation and just as seaworthy on the high seas all year round, I leave it to you gentlemen to decise.

It appears, therefore, that the demand for raw material transportation facilities will grow gradually, in the natural course of industrial development, but that, by and large, this will not create a revolutionary change in the types of ships and the port facilities that will be required.

There is one type of business that will be new to the Great Lakes area, both in quantity and in the type of ships that will ply these waters. That is the export-import trade in general cargo. It is true that we now have ships of small size drawing at full load 19 feet of water, restricted to about 250 feet in length and 42 feet in width which pick up cargo on the Great Lakes up to about 1,500 tons and go down the St. Lawrence canals drawing 14 feet of water. These will be replaced in time by larger ships, depending on the particular routes and types of cargoes for which these are built, carrying 7,000 to 10,000 tons. You are aware that some foreign shipping lines are already constructing boats adapted to this traffic, and I am informed that American Shipping Lines have design of ships for this trade under consideration.

I think you can expect this trade to grow with the opening of the seaway. Again, it will take time to make all the adjustments of services, facilities, and shipping, but it is likely to grow, perhaps within our own generation, from the present 520,000 tons a year to possibly 5 million tons a year—a tenfold growth, which is the Canadian Government's estimate.

When this will come is hard to tell. Some estimates put it at within 5 years of the opening of the seaway. This trade, however, will be carried on during a season of 244 days, on the average, through all the ports of the Great Lakes area. Compare it with an annual export-import figure in general cargo other than bulk commodities from New York harbor alone, which in 1953 was 13,519,975 tons.

This business will definitely be incremental new business. It will probably involve new types of ships, in addition to those already mentioned, such as the proposed roll-on, roll-off type ships which the Defense Department and the Maritime Administration have under design for transport of automotive equipment. Five million tons is not large, but it is 10 times as large as what we have at present.

AMENDMENT OF COTTON-MARKETING QUOTA PROVISIONS

The Senate resumed the consideration of the bill (H. R. 3952) to amend the cotton-marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Mississippi [Mr. STENNIS] for himself, the senior Senator from Arkansas [Mr. MCCLELLAN], and the junior Senator from Arkansas [Mr. FULBRIGHT], as a substitute for the language beginning on page 3, line 10, and extending down to and including the word "therein" on page 4, line 3. This amendment, under Senate procedure, is in the first degree.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina rose.

Mr. STENNIS. Mr. President, I may say to the Senator from South Carolina [Mr. JOHNSTON] that the amendment I have offered is under the present parliamentary situation, the pending question, and I wish to make a very brief factual statement.

The amendment provides an increase of 271,000 acres. The Senate committee amendment as originally reported carries 258,000 acres. So that the acreage is almost the same.

The Senate committee amendment to be proposed today will carry 168,000 acres, while the House bill carries an additional acreage of 544,000.

Mr. President, I wish to point out the distressing situation and the need for some acreage relief which has been recognized by the Department of Agriculture. It has also been recognized by the House of Representatives and by the Senate Committee on Agriculture and Forestry. The only difference is as to the method of meeting distress cases and to what extent we should go.

In view of those facts, Mr. President, I am willing to have the question voted on after a brief factual statement or such statement as the chairman of the Committee on Agriculture and Forestry may wish to make. I think orderly procedure, as well as the merits of the case, commends the idea of getting the facts and then letting every Senator vote as he sees fit.

Mr. President, I yield the floor.

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk an amendment which is reported by the Committee on Agriculture and Forestry.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment offered by the Senator from South Carolina.

The LEGISLATIVE CLERK. On page 3, beginning in line 17, with the word "further", it is proposed to strike out through the word "subsection" in line 20, and to insert the following: "such further additional acreage, in the case of Illinois and Nevada, as may be necessary to increase the allotment of each such State to 3,500 acres."

On page 4, after line 15, it is proposed to insert the following:

(o) Whenever it is determined by the Secretary of Agriculture that because of drought or other abnormal weather conditions, any part of a cotton-acreage allotment for any farm cannot be planted to cotton in 1955, such acreage allotment may in accordance with regulations prescribed by the Secretary be transferred by the owner or operator of such farm to another farm where water or moisture is available and which has been owned or leased and operated by such owner or operator for a period of 1 year

prior to the transfer of the allotment: *Provided, however,* That no such transfer shall be made from a dryland farm to an irrigated farm. Any allotment transferred under this provision and planted to cotton on another farm shall be regarded for the purposes of subsection 344 as having been planted to cotton on the farm from which such allotment was transferred rather than to the farm to which the allotment is transferred.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment offered by the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, the amendment which I have offered has been proposed by the Committee on Agriculture and Forestry. The committee met yesterday after the matter had been discussed on the Senate floor. The amendment was adopted by the committee by a vote of 9 to 1. It strikes out a provision increasing each State allotment by one-half of 1 percent. It increases the allotments of Illinois and Nevada to 3,500 acres, and adds to the committee amendment the amendment which was intended to be proposed by the Senators from Texas because of the drought situation there. It does not increase the allotment which was originally proposed by the Department of Agriculture. It would permit a producer who, because of drought or other abnormal weather condition, cannot plant his 1955 allotment to transfer his allotment to another farm owned or operated by him where moisture is available, no such transfer to be made from a dryland farm to an irrigated farm.

The total additional acreage provided by the bill as amended by this amendment would be 169,603.8 acres. This is the amount shown in the committee report for each State, except Illinois and Nevada, as being required to increase each farm allotment to the smaller of 4 acres, or 75 percent of the highest acreage planted in 1952, 1953, or 1954; 444 acres in the case of Illinois and 1,176 acres in the case of Nevada.

We think it provides sufficient acreage so that they may have a cotton gin.

I believe the committee voted unanimously for those particular items.

If there are any questions regarding the amendment, I shall be glad to answer them.

Mr. KUCHEL. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KUCHEL. I learned only a little while ago that the committee had acted and had recommended an additional amendment to the bill under consideration. Is it the intention of the Senator from South Carolina to call up the amendment first and have a vote on it?

Mr. JOHNSTON of South Carolina. It comes up first. The committee has proposed an amendment to perfect the Senate committee amendment.

Mr. KUCHEL. I came late to the floor because I have been in attendance on a meeting of a Subcommittee on Interior and Insular Affairs. May I ask the Senator if he has an extra copy of his amendment, so that I may look at it?

The ACTING PRESIDENT pro tempore. The Chair will advise the Senator from California that the parliamentary procedure is that since the amendment offered by the Senator from Mississippi seeks to strike out and insert, and the amendment offered by the Senator from South Carolina proposes merely to perfect language now contained in the committee amendment, under rule XVIII the perfecting language takes precedence, and the vote, when it occurs, will be first on the amendment offered by the Senator from South Carolina before the amendment offered by the Senator from Mississippi can be acted upon.

Mr. JOHNSTON of South Carolina. Action on the amendment I have offered will not prevent an amendment to the bill later.

Mr. KUCHEL. I now have a typewritten copy of the statement explaining the proposed amendment. The Senator from South Carolina suggests, first, that the amendment would strike out the provision increasing each State allotment by one-half of 1 percent.

If I understand correctly the intendment of that particular part of the new amendment, it would eliminate column 3 of the table set forth on page 2 of the report of the committee dated March 8, 1955.

Mr. JOHNSTON of South Carolina. In effect, it simply eliminates the one-half of 1 percent provision and substitutes in lieu thereof what is proposed in perfecting the amendment.

Mr. KUCHEL. Second, the amendment would increase the allotment of Illinois and Nevada to 3,500 acres each.

Mr. JOHNSTON of South Carolina. That is so.

Mr. KUCHEL. Unless the second provision in the perfecting amendment were included, Illinois and Nevada would receive only 15 acres and 12 acres, respectively, would they not?

Mr. JOHNSTON of South Carolina. That is true. The committee felt that these two States should have a sufficient amount to provide for a cotton gin. Illinois now has 3,056 acres. As the Senator will notice, 444 acres would be added to the Illinois acreage.

The additional amount allotted to Nevada is 1,156 acres.

Mr. KUCHEL. With respect to the third recommended change, I again refer to the typewritten explanation, which reads:

Add to the committee amendment the amendment which was intended to be proposed by the Senators from Texas, which would permit a producer who cannot plant his 1955 allotment because of drought or other abnormal weather conditions to transfer his allotment to another farm owned or operated by him where moisture is available, no such transfer to be made from a dry-land farm to an irrigated farm.

Mr. JOHNSTON of South Carolina. That gives to no State any additional acreage; but if a farmer owns two different farms, he can transfer from one to the other, but not from a dry-land farm to an irrigated farm, or from an irrigated farm to a dry-land farm.

Mr. KUCHEL. May I ask the Senator from South Carolina if there is any provision as to the length of time which a farmer would be required to own the property, in order to be eligible under the amendment?

Mr. JOHNSTON of South Carolina. He must have owned it for 1 year prior to the request being made.

Mr. KUCHEL. Specifically, would one of the effects of the amendment be to eliminate the State of California from any additional acreage?

Mr. JOHNSTON of South Carolina. Not if California comes under the proposal. Of course, all States are treated on the same basis. I do not believe California would get any additional acreage.

Mr. KUCHEL. What other States would be in a position similar to that of California under the amendment which has been offered this morning?

Mr. JOHNSTON of South Carolina. I do not think any other State would be in a position similar to that of California.

Mr. ELLENDER. Mr. President, there would be no other State in the position of California.

Mr. KUCHEL. Do I understand correctly that California is the only State whose acreage is reduced to zero?

Mr. ELLENDER. The reason for that is that California has no small farms of this size needing relief; according to my information all the farms in California are larger farms than those receiving additional acreage under the committee amendment now pending before the Senate.

Mr. KUCHEL. Why are Illinois and Nevada being increased to 3,500 acres each?

Mr. JOHNSTON of South Carolina. The only reason is to provide them with a sufficient amount of acreage to enable them to have cotton gins.

Mr. KUCHEL. I thank the Senator from South Carolina for answering my questions. I desire to have an opportunity to study the text of the amendment, although now I think I recognize its implications. Later this afternoon I should like to discuss the matter at greater length.

Mr. ELLENDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina relinquish the floor?

Mr. JOHNSTON of South Carolina. I relinquish the floor.

Mr. ELLENDER. Mr. President, yesterday the Committee on Agriculture and Forestry met for the purpose of trying to draft a provision which would be acceptable to all the cotton-producing States. Soon after our meeting, it was apparent that this could not be done.

What the committee finally agreed to do was what the Senator from South Carolina has just stated, namely, to take care of small farmers only.

As I stated previously, were it not for the fact that the committee finds it necessary to provide sufficient acreage to take care of 182,847 distressed small farmers, the bill would not be before the Senate.

The bill when it was originally reported to the Senate provided, as the Senator from South Carolina has just stated, additional allotments for small farmers plus one-half of one percent of each State's allotment, so as to make available to all the cotton-producing States a certain fixed acreage in proportion to the present 1955 allotment of each State. When the committee met

yesterday, it decided to provide only the acres necessary in order to take care of the 182,847 distressed small farmers. We voted to confine the relief to bona fide hardship cases.

If the bill is enacted, it will mean that the small farmer, be he in the West, the South, or the Southwest, will receive the smaller of 4 acres, or 75 percent of the highest number of acres he planted in any one of the years 1952, 1953, or 1954. The purpose of the bill is simply and solely to take care of the 182,847 small cotton farmers of this Nation.

It is true that under the law some of the States which did not do so could have provided relief for their small farmers. Many States did their best to provide for all their small farmers; but, because of the acreage limitation, they found the number of allotted acres to be inadequate to take care of them. All that the bill seeks to do is to correct that situation.

It is also true that in several States some of the committees did not set aside even 1 acre in order to take care of small farmers. But let us not blame the small farmers for that; they are not responsible; they should not be punished.

It strikes me that what Congress should do, and soon, is to force the States to make the allocations provided for in the present law, rather than to allow the allocations to be more or less optional. If such a mandatory provision were now in the law, the pending bill might not be before the Senate today, except for the necessity of providing such additional acreage as may be necessary—and that is what we are now asking for—to enable each farmer to have a minimum of 4 acres, or 75 percent of the highest acreage he planted in either 1952, 1953, or 1954.

I think the bill is fair and just. I am satisfied that if a bill of this character were passed by the Senate, the President, and also, I feel certain, the Department of Agriculture, would favor it, because its purpose is to take care of a real hardship problem.

It is my hope that the Senate will stand back of the recommendations made after careful study by the Committee on Agriculture and Forestry.

Mr. President, time is running out, and unless we act today, it may be too late no matter what the Senate does, because in many of the States farmers have already started planting cotton. Yesterday we were notified by Mr. Rhodes, of the Department of Agriculture, that any allocations other than those necessary to take care of the small farmers would require from 4 to 5 weeks before the calculations could be made and the acreage allotted to farmers. But as to the allocations for the small farmers, numbering 182,847, the calculations could be completed within 10 days. So, Mr. President, I urge the Senate to act on the amendment favorably, and without delay.

When the Senate passes the bill, as every Senator knows, it will have to go to conference with the House. How long it will take to complete work on the bill, I do not know, but I feel confident we may have a battle on hand, because our bill seeks to protect the small farmers only, whereas the House bill seeks to give to each State 3 percent of its allotment, with only a few exceptions.

I urge the Senate to follow the recommendations made by the Committee on Agriculture and Forestry.

Mr. KUCHEL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. COTTON in the chair). Does the Senator from Louisiana yield to the Senator from California?

Mr. ELLENDER. I yield.

Mr. KUCHEL. First of all, I should like to have the Senator tell the Senate on what theory he originally recommended, as a part of the bill, that an increase of one-half percent of the present allotment be given to several cotton-growing States.

Mr. ELLENDER. The subcommittee made a recommendation of 1 percent, and the full committee made it one-half percent. To be frank with the Senator, some members of the committee had in mind that by providing some acreage for the States in addition to that required for small farms, further support might be obtained for the bill.

Mr. KUCHEL. In other words, the Senator is suggesting that the bill was originally reported by the committee to the Senate in such a way that others might be attracted to its cause, so that it might be adopted by the Senate, is he not?

Mr. ELLENDER. That is my statement as a Senator. I do not wish to impugn the good faith of any Senator, but I think Senators who were there will bear me out that many of us preferred to allocate the acreage in order to take care of the small farmers only, and we reached that decision because of the reaction the subcommittee had when it took the matter up with the Department of Agriculture. In conversation with the representatives of the Department we were informed there would be no serious opposition from the Department if the bill provided only for a sufficient number of acres to take care of the small farmers. Because of that fact, we met again yesterday. What prompted the change, and probably the attitude of some Senators, was the fact that time is growing late. As a matter of fact, some Senators had several conversations with representatives of the Department of Agriculture, and were informed that if any additional acreage were provided to take care of farmers other than small farmers, it would require from 4 to 5 weeks before the size of the additional allotments to be granted to the various States could be ascertained, whereas in the case of the allotments to the small farmers it would require only 10 days. It may be that is what prompted many of the Senators to favor a bill providing relief only for the small farmers.

I repeat what I said yesterday and today, that except for the necessity of relieving bona fide hardship cases, and in order to assist our distressed small farmers, the bill would not be before the Senate today.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSTON of South Carolina. Is it not also true that when the subcommittee reported the bill with a 1-percent provision, many of the Senators on the committee took the position that, with in excess of 250,000 acres provided for in the bill, there might be opposition from the Department?

Mr. ELLENDER. I heard mentioned the figure 250,000 acres and I heard the figure 200,000 acres. That, added to the other factors, made some of us take the position that the acreage should be reduced to such a point that, if the bill were submitted to the Department, it would receive the approval of the Department, and in turn the signature of the President.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. The Senator from Louisiana referred to the fact that several Senators who were members of the committee called Department personnel regarding the time and detail which would be involved in order to put the measure into effect. I was one of those Senators. In substance, the information we received was that if the relief—and this is a relief bill—as reported by the committee—was confined entirely to farmers who were in the 4-acre category, or, if their maximum planting for the last 3 years had been less than 4 acres, then 75 percent of their largest planting, calculations could be started at once. The States would be notified and then the counties. The data could be prepared at once, and the calculations would not be difficult. In the meantime, the new regulations could be formulated and published, just as speedily as possible, in the Federal Register. The whole matter could be moving in 10 days to 2 weeks.

On the other hand, if any other provisions were contained in the bill, such as a provision for an additional one-half percent, 1 percent, 1½ percent, or 3 percent, as proposed by the House bill, in the acreage for each State, the work would involve a much longer process, in that each State would have to be advised, and would have to report back to Washington as to how the acreage would be broken down, and the final action of the Department would have to await the completion of those reports. The time required would be doubled, or possibly a great deal more than doubled by reason of that fact. If the desire was to afford relief, it was not only apparent that the simple process of aiding only the very small farmers would bring quick relief, but that any other method would defeat quick relief. That was the substance of the statement made to me by the appropriate official of the Department of Agriculture.

Mr. KUCHEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield to the Senator from California.

Mr. KUCHEL. What was the purpose of including the 3,500-acre provision, bringing up the allotments for Illinois and Nevada?

Mr. ELLENDER. As was stated by the Senator from South Carolina, and as was stated by some other committee

members, the main purpose of that increase was to provide enough cotton production in Nevada to maintain a cotton gin.

Mr. KUCHEL. Did the Senator consider that an urgent situation?

Mr. ELLENDER. We were told that if that were not done, any cotton produced in Nevada would probably have to be transported to California, a distance of more than 300 miles over rugged mountain roads. That is what prompted the committee to act as it did on that particular provision, and there was no other reason for it.

Mr. KUCHEL. Let me ask the distinguished Senator from Louisiana, the chairman of the committee, whether I correctly understood his statement. Did he say that under the present law, last year each State could have made its allocations to the 4-acre farms if it wished to do so?

Mr. ELLENDER. No; I do not say that.

Mr. KUCHEL. What did the Senator from Louisiana say?

Mr. ELLENDER. I said most States made special allocations to the small farms, but some States did not have sufficient acreage to allot each farmer the minimum of 4 acres or 75 percent of the 3 last years' plantings.

Mr. KUCHEL. I think the Senator from Louisiana will recall that during the subcommittee hearings the statement was made that in some States there was maladministration.

Mr. ELLENDER. I do not know about maladministration; but there were some States—I think California was one of them—which made no provision for small farms, and I presume that is because those States do not have any small farms. I think the State of Mississippi made no such provision. But that is not the point. The point I am making to my good friend, the Senator from California, is this: why should the small farmers be blamed and even penalized because the administrators of the law do not carry it out as it should have been carried out? It strikes me, as I said a while ago, that what the committee should do—and I propose to try to do it in the immediate future—is to make the administrators carry out the law in the spirit in which it was intended.

Mr. KUCHEL. Let me say, first of all, that California made complete provision for the small farmers.

Mr. ELLENDER. In this statement I have from the Department, that is not reflected.

Mr. ANDERSON. Mr. President, will the Senator from Louisiana yield to me at this point?

Mr. ELLENDER. I yield.

Mr. ANDERSON. Does not the statement reveal that California set aside 10 percent of its reserves for small farms, which was adequate for its small farms?

Mr. ELLENDER. No.

Mr. ANDERSON. The statement does not reveal that? Then what does it reveal?

Mr. ELLENDER. I am quoting the statement in regard to 4-acre farms. It may be that California considers a 50-acre or 100-acre farm a small one. But in the 4-acre size we are trying to help, a 50- or 100-acre farm is a large one. As the Senator from New Mexico knows, 4-acre farms are prevalent in the South, although that situation does not prevail in California or New Mexico. I assume that accounts for the fact that in the table appearing on page 2 of the committee report there is a big zero opposite California, as to 4-acre farms.

Mr. ANDERSON. Yes; as to 4-acre farms.

Mr. ELLENDER. Yes. That is what I am talking about.

Mr. ANDERSON. But the testimony was that California had set aside for small farms 10 percent of its State reserve, and had allotted it to small farms, and that it was adequate for the purpose.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. LANGER. As the distinguished Senator from Louisiana knows, not much cotton is raised in North Dakota. However, I am interested in knowing whether the Senator from Louisiana would apply the same formula to wheat. For example, in North Dakota a small farmer may have 160 acres of wheat; but under the allotment plan, he might be allowed to seed only 30, 31, or 32 acres of it.

Mr. ELLENDER. The bill does not deal with that subject.

Mr. LANGER. However, if the Senators from North Dakota were to introduce such a bill, would the Senator from Louisiana be willing to say that the small farmer, having 160 acres, should not have his allocation reduced?

Mr. ELLENDER. Of course it would depend on the facts developed. I assure the Senator from North Dakota that if such a bill were introduced, I would certainly appoint a subcommittee—if I were instructed to do so—to hold hearings in the same manner that the subcommittee proceeded to hold hearings on the bill dealing with cotton farmers. If justification were shown for the enactment of such a bill, I am sure the Committee on Agriculture and Forestry would give the bill adequate consideration.

Mr. ANDERSON. Mr. President, I believe this measure is an extremely important piece of proposed legislation, which ought to have very careful consideration by the Congress.

I believe that the action taken on yesterday by the Committee on Agriculture and Forestry, revising its amendment and in trying to limit the relief it gives to the areas east of the Mississippi River, with the small exception of a few acres allocated to Nevada—which I heartily concur—was improper. I believe I should say frankly that I was the only member of the committee who voted against it; for the vote was 9 to 1.

I hope the Members of the Senate will take a good look at the table which I inserted at page 3536 of yesterday's CONGRESSIONAL RECORD. It shows that the great State of California, which steadily runs a close competition with the State of Iowa as to being the greatest agricultural State in the Union, would get exactly zero acres by the action of the committee, because California could not come down to a 4-acre formula and be able to show 4-acre farms still needing help.

It happens that we must consider the type of agriculture which exists in the particular areas with which we are concerned. In an irrigated section it is not possible to operate a 4-acre farm with any possibility of success, insofar as cotton production is concerned, because cotton farming in California, Arizona, New Mexico, and the western part of Texas is mechanized. One cannot afford to buy a flamethrower or a 4-row cultivator, or a diesel tractor to pull that equipment, and operate with only 4 acres of cotton. So one who says the only measure of hardship he will consider is whether a farmer has or does not have 4 acres, is admitting in the beginning that he wishes to be unfair.

Mr. President, what happened at the meeting of the Committee on Agriculture and Forestry? The committee decided that certain States would have their acreage increased; for instance, Florida, 15 percent; Illinois, 14 percent, and, incidentally, that increase amounts to only 400 acres; Kansas, 5 percent, which amounts to about 2 acres; Kentucky, 4 percent, which is less than 300 acres; Nevada, 50 percent, for the laudable purpose of trying to make it possible for the cotton farmers in that State to have a gin; North Carolina, 8 percent; Tennessee, 3 percent; Virginia, 22 percent; and a whole group of States, including Alabama, Georgia, Louisiana, Mississippi, and South Carolina, would receive approximately a 2-percent increase.

How did it work out? The great State of Arkansas has its 1955 planting quota allotted on an acreage of 1,529,000; but under the action of the committee, Arkansas would receive 3,300 acres, to take care of small farms.

But the State of North Carolina, with one-third the cotton acreage of Arkansas—or 515,000 acres—would receive 38,000 acres. What had happened? The State of Arkansas had made its allocation for small farms. Forty-one and eight tenths percent of all the acreage reserved by the State of Arkansas was used for small farms.

Mr. President, how much do you suppose the State of North Carolina used for small farms from its State reserve? It used absolutely nothing—zero; not 1 acre of the State reserve was, in the case of North Carolina, used for small farms.

The State of Arkansas used 41.8 percent of its acreage for small farms. It solved its small-farm problem; and, therefore, when Arkansas comes to consider the committee's proposal, Arkansas finds that, by action of the committee, because Arkansas did what the cotton law of 1949 said she should do, because Arkansas set up a reserve for its small farmers, Arkansas will, under the committee proposal, get 3,000 acres, on a base of 1,500,000 acres, whereas the State of North Carolina will get 38,588 acres on a base of one-third that much, or 515,000 acres.

Mr. MONRONEY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I am happy to yield to the Senator from Oklahoma.

Mr. MONRONEY. I agree entirely with the distinguished Senator from New Mexico as to the inequitable way in which

this program would work against State committees which have made allocations for small farms. If we now give preference to States which did not make their allocations to take care of small farms, will not other cotton producing States next year probably disregard the problem of taking care of the small farms, if they find themselves the victims of having followed the spirit of the law in that regard?

Mr. ANDERSON. The Senator from Oklahoma is entirely correct. There will not be a State in the Union which will make a reservation of a single acre for small farms, because the State will have been notified, if this action stands, that the way to get acreage is to gut the small farmer. Then it can come back and say, "Now the small farmer is in distress. We have successfully gutted him. Now we want some acreage to help him out."

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. ANDERSON. I am glad to yield to the Senator from North Carolina?

Mr. ERVIN. Assuming that the Senator from New Mexico is correct in saying that those in charge in my State of North Carolina made an improper allocation, the Senator from New Mexico is now advocating that we compound a wrong by taking away from the farmer who has 4 acres or less the only method he has of making a living and giving it to those who are able to raise cotton by machinery on broad acres. In other words, he says that we should follow the Scriptures and give to him who hath, and take away from him who hath not.

Mr. ANDERSON. That is an interesting question. I do not regard it as much of a question, except that it is in no way a correct interpretation of what I said. It is completely erroneous.

Mr. ERVIN. The Senator from New Mexico says the Senate should do wrong——

Mr. ANDERSON. I do not.

Mr. ERVIN. From my standpoint. The Senator from New Mexico says we ought not to give to the small cotton farmers as much as 4 acres, or 75 percent, if they farm less than 4 acres.

Mr. ANDERSON. I invite the Senator to read what I have been saying. He will find that I have made no such suggestion. I am merely suggesting to those who brought in the report that if it is all right to do justice to the farmer of North Carolina, it is not exactly a penitentiary offense to do justice to the farmer in Oklahoma or Arkansas.

Mr. ERVIN. I understood the Senator from New Mexico—and he can correct me if I am mistaken—to say that he is opposed to a bill which would enable a farmer in North Carolina—who knows no other way of making a living except growing cotton, as much as 4 acres, or a lesser amount if he has had a lesser allotment.

Mr. ANDERSON. The Senator can assume what he wishes, but he has not heard me say anything like that.

Mr. ERVIN. Then is the Senator in favor of the bill against which he is speaking? Am I justified in drawing that inference?

Mr. ANDERSON. I do not think the Senator is justified in making that assumption. I did not oppose the bill which was reported, which was designed to give some relief. I tried to get the Senate Committee on Agriculture and Forestry to realize that relief is just as important to a man who is starving on a 20-acre piece of cotton as to a man who is starving on a 3½-acre piece of cotton. The degree to which the starvation takes place does not matter, if it takes place at all.

Mr. ERVIN. The Senator is probably correct. The agony of the man starving to death on 20 acres or 100 acres would probably be greater than that of the man on 4 acres or less, because it would take him longer to starve to death.

Mr. ANDERSON. I believe it would be helpful if the Senator were to try to find out what happens when a man makes a large investment in a farm, and borrows money from a bank.

There sits in the Chamber at this moment a very distinguished member of the Senate Committee on Agriculture and Forestry who, not long ago, was discussing the difference in farming in his State at present, as compared with the situation when he was younger. He reminded us that when he started to farm one could obtain a small piece of ground and a team and go to work. However, his sons must have $10,000 worth of equipment to start. That is why, when we reduce the acreage in each State to a great degree we put that young man in jeopardy, because he owes $10,000 to a bank. He must make payments on it. It does not soften the blow to any extent to say that he is not a small farmer if he has 160 acres. He has a big problem. I had hoped that the Committee on Agriculture and Forestry would look at the problem in terms of distress.

Consider the situation in the State of Oklahoma. The State of Oklahoma has a base of 872,000 acres. Under this bill the State of Oklahoma would get the magnificent sum—and I hope the senior Senator from Oklahoma has paid attention—of 1,807 acres, out of 872,000.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MONRONEY. By comparison, it is interesting to note that the State of Florida has a total cotton allotment of 36,282 acres, which is somewhat less than 5 percent of the cotton acreage to which Oklahoma has been entitled by reason of historical factors. Florida, with less than 5 percent of that acreage, receives in excess of 500 percent more relief under this bill than does the State of Oklahoma. On a base of 872,000 acres, we receive only 1,807 acres. Florida, with a base of 36,282 acres, receives 5,064 acres. If we are to share in the hardship, there is not a cotton farm in the United States which has had to come down in the ratio of 28 million to 18 million, which is the national ratio, which is not in hardship.

I agree with the Senator from New Mexico that, much as we desire to help the 4-acre farmers, those who are having a most difficult time on 40 acres are in just as great jeopardy. Certainly any bill designed to alleviate the hardship should not be written on the theory that the hardship exists in only a very few of the cotton-producing States.

Mr. ANDERSON. The Senator is absolutely correct. It is true that, because of the topography of Oklahoma, and because of the rainfall in certain sections of Oklahoma, a man does not try to farm 3½ acres of cotton, as he might do in North Carolina, which is blessed by providence to a greater extent so far as concerns the character of the soil and the amount of rainfall.

Mr. ERVIN. And the number of children.

Mr. ANDERSON. And the number of children.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I shall be glad to yield in a moment.

The farmer on 35 acres has the same problem. The principle of justice in the bill which was reported by the Committee on Agriculture and Forestry yesterday—with respect to which I say again that I am happy I cast the only vote in opposition—is that we shall give exceptional acreages where the pattern of agriculture is of one type, but we shall give no relief whatever, even though the people are in just as deep distress in another part of the country, if they live in a part of the country where the acreage of farms is a little greater.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HOLLAND. I ask the attention of the distinguished Senator from Oklahoma. I hope he will look at the chart which he was holding in his hand a moment ago. If he does, and if he looks at the figures opposite the names of Florida and Oklahoma, he will find that the State of Florida used 60 percent of its total State reserve to aid farmers with small acreages. He will find that in the case of Oklahoma less than 15 percent of the State reserve was used to aid the small farmers. Here are the figures: In the case of the State of Florida the total State reserve was 3,628 acres, of which 1,995 acres were used to alleviate the problems of the small farmer. In the case of Oklahoma the State reserve was 130,880 acres, and the amount of acreage used to alleviate the problems of the small farmers was 17,851.

Mr. MONRONEY. Mr. President, will the Senator yield further?

Mr. HOLLAND. If the Senator from New Mexico will do the same thing with reference to the figures of his State, he will find that those who did the apportioning in his State used the 18,219 total State reserve in such a way that only 3,831 acres went to alleviating the condition of the small farmer. It indicates rather clearly that Florida has gone all out in trying to help the small farmer.

Let me say, incidentally, that I had no part in drafting the bill and did not offer a bill; I was not a member of the subcommittee which drafted the bill, but was glad when the subcommittee recognized the fact that the small farmers with 4 acres or less could not be expected to make a living on such a small acreage, and was therefore glad that the subcommittee adopted the approach it did. If the Senator from New Mexico

will look further he will find from the second compilation that all of the 5,064 acres which would be allotted to the State of Florida would go to 4,458 farms. That is a little more than 1 acre for each farm.

While I in no sense question the sincerity of any Senator in this matter, I hope all Senators will realize that what the committee is trying to do is to give relief to the small farmers who are being deprived of the opportunity to meet the obligation to support their families.

If we should undertake to give heavy acreage relief to farmers who are able to buy tractors and who are able to have broad acres, we would not have any bill whatever.

I am sure Senators will realize that we should not approach this question from the standpoint of States, but from the standpoint of attempting to give relief to very poor people. Those poor people do need relief. They have a right to look to Congress to give them that relief.

The Senators from New Mexico and Oklahoma, as I have said, are completely sincere in their approach. I hope they will get away from the idea of arraying one State against another State. What the commitee has tried to do is to recognize the abject poverty that exists. For example, in the State of Florida most of the cotton farmers are very poor. Most of them are colored people. They live on a very small parcel of land, and too often they live in shacks which would not be recognized as proper habitations for human beings in some other States. I am sorry that they must live as they do. I am sorry that any Senators see fit to take issue with the effort to give relief where relief is very badly needed.

Mr. MONRONEY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I am very glad to yield.

Mr. MONRONEY. In answer to the distinguished and able Senator from Florida, I should like to say that in quoting the statistics of Oklahoma as to its allocation to the 4-acre farms, the Senator does not mean, I am sure, to convey the impression to the Senate that our 4-acre farms have not been taken care of. They have been taken care of fully.

He may agree that 4 acres in Florida will produce more lint than 10 acres in Oklahoma. We have thin land. We have drought conditions. We do not have the rich delta land that Florida has. Although Oklahoma used to be the second largest cotton-producing State in the Union, it is a fact that as progressive cuts have been made in cotton acreage cotton production has consistently declined.

We have taken care of the small hardship farmers, but I call the Senator's attention to the fact that there can be hardship on a large farm, too, and that the hardship of one of the larger Oklahoma farmers, can be as great as that of a farmer in the State so ably represented by the Senator from Florida. We are only asking that, based on the allotments the States have earned under the historic plan, all the cotton-producing States shall share and share alike.

If Senators wish to make the allotment 3 percent, as provided in the House bill, I am in favor of it. If Senators wish to make it 1½ percent, as provided in the Stennis amendment, I am in favor of that. However, I do not like favoritism shown in the allocation of hardship acreage, because hardship exists in every cotton-producing area of the country.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I should like to say a word with reference to what the Senator from Oklahoma has been saying. In his State, out of 48,000 farms, only 3,000 are farms of 5 acres and less. Therefore it would take only a very small number of acres to take care of the situation in Oklahoma. The State of Oklahoma used 13.6 percent of its State reserve to take care of the small farmers, and those small farms were taken care of adequately.

The bill came to Congress in the first instance because some States did not make any reservation for small farms. They allotted all the acreage, and then said, "Distress conditions exist in our States, and we want you to do something about it."

We cannot get away from the fact that the State of Oklahoma has 872,000 acres allotted to it in 1955. The bill reported by the Committee on Agriculture and Forestry gives it the magnificent total of 1,800 acres, whereas the State of North Carolina, with 515,000 acres, gets 38,000 acres to take care of its problems.

Mr. KERR and Mr. ELLENDER addressed the Chair.

Mr. ANDERSON. I yield first to the Senator from Oklahoma.

Mr. KERR. Mr. President, I appreciate very much what the Senator from New Mexico is saying. I appreciate also what the Senator from Florida has said.

Speaking now for the junior Senator from Oklahoma and the senior Senator from Oklahoma, I want all Senators to know that in our efforts to bring about a different allocation than that provided for in the bill reported by the committee, we do not have anything against any other State. It so happens that we were elected to represent the State of Oklahoma. I take it that the distinguished Senator from New Mexico was elected to represent the State of New Mexico and the farmers of New Mexico. If there is to be a bill providing 169,000 or 170,000 additional acreage for cotton—I believe that is what the bill provides——

Mr. ANDERSON. One hundred and sixty-nine thousand acres.

Mr. KERR. If that is the case, we believe that an allocation of 158 acres to the State of New Mexico and an allocation of 1,807 acres to Oklahoma would hardly be consistent with any conceivable formula for determining how the additional acreage should be distributed.

Mr. ANDERSON. The decision of the Committee on Agriculture and Forestry was that, to the State of California, even though that State is one of the largest agricultural empires of the country, not one acre would go under the bill.

As to the State of Texas, so ably represented, in part, by the majority leader, about one-tenth of 1 percent would go to Texas under the bill.

Apparently a Senator should not become majority leader or minority leader. By doing so he gets his throat cut in the Committee on Agriculture and Forestry. That is exactly what happened to the two leaders in the Senate.

Florida gets 15 percent; North Carolina gets 8 percent; Virginia gets 22 percent. I merely point out that Arizona has some rights in this matter. It, too, has distress, even though it is not measured by 3 or 4 acres.

In the western part of the great State of Oklahoma, as the able Senator from Oklahoma well knows because he has campaigned throughout the State very thoroughly, in the area around Guymon, a man who has 3 acres of cotton would not be refused an allocation by the State committee; he would be committed to the insane asylum for trying to make a living on such an acreage of land. A cotton farmer in that State must spread out because of drought and other bad conditions, and he must take 100 acres or so, and on those acres he must try to scratch out a living. However, the Committee on Agriculture and Forestry said, "Oh, no, you don't; even if your children are in rags, as long as you are not a 4-acre planter, you cannot get any relief under our bill."

Mr. KERR. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KERR. Is it not possible that a farmer with 15 acres of thin upland would be in worse shape than a farmer with 5 acres of good bottomland which had ample water?

Mr. ANDERSON. Of course, that is true. Distress cannot be measured by acreage.

Mr. KERR. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. KERR. Is it not true that a relief formula which provides for allocations, regardless of the quality of land or the location of the land, only to those farmers who have been allocated less than 5 acres is a mockery as a general relief measure?

Mr. ANDERSON. It is nothing else but that. That is what I tried to say to the committee. As I said to the Senator from Oklahoma, I was the only one who voted as I did. Perhaps it should be stated that perhaps I was voting to take care of my own State. However, it so happens that I am the only representative on that committee from the entire arid section of the United States, comprising the States of Oklahoma, New Mexico, Arizona, California, and the western part of Texas.

I felt that the people who were in trouble there had a right to get relief such as was given in the State of Mississippi where the State looked at the problem and said, "We will give the acreage to the people who have large farms," and they did not set 1 acre of land aside from the State reserve for the small farms. When they got into trouble, they said, "We have a distress problem because of the big people taking all the acreage. The small farmer is in distress, and, therefore, Congress should give some relief."

Mr. KERR. Will the Senator from New Mexico join with me in saying that we have no purpose whatever to give to

those in distress in some States less relief, but to make it possible that whatever relief is provided shall be given on an equitable basis in distress cases in all the cotton-producing States?

Mr. ANDERSON. Precisely. I have been trying to get something of that nature done. I did not wish to disturb what had been worked out carefully by the committee, but I do not think it is right to base it on the size of a farm. The able chairman of the committee asked me what I was objecting to, and I think I made it plain that I was not objecting to the figures in the first column; but State relief can be just as acutely needed for an area where the acreage is greater as for an area where the acreage is smaller. I pointed out that the State of Arkansas had 1,529,000 acres which it had earned, by history, and it got the grand sum of 3,309 acres. But the State of North Carolina, with one-third the acreage, got 38,000 acres. I say it is entirely possible that the farmer in Arkansas needed relief even if his farm was actually greater. The committee might have done a better job.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. Is it not true that the State of South Carolina needs greater acreage to take care of the situation? Is it not true that in some counties in South Carolina, Mississippi, and North Carolina it would have been impossible to have given all the relief required?

Mr. ANDERSON. I do not quarrel with the able Senator from South Carolina on that point. His State set aside 46.7 percent.

Mr. JOHNSTON of South Carolina. And how much did Arkansas set aside?

Mr. ANDERSON. Arkansas set aside 41.8 percent of its reserve. If the Senator will take the time to look at the statistics he will find that the 41.8 percent in Arkansas came closer to relieving the small farmers than did the 46 percent in South Carolina.

Mr. McCLELLAN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. McCLELLAN. The State of Arkansas undertook to conform to the intent of the law and to protect the small farmer and made its allocation on that basis. It now finds that in a measure which purports to do justice to some small farmers in other States where the State boards failed to set aside sufficient acreage to take care of the small farmers, it is penalized because it tried to do the right and wise thing when it had the opportunity.

Mr. ANDERSON. I could not agree more with the Senator. That is the tragedy of the situation.

Mr. President, I wish to explain why I am concerned about this situation. I wrote a great deal of the Agriculture Act of 1949. My name is on it. It was based upon the experiences I had in the Department of Agriculture when we found we could not control the cotton situation.

We could not shrink the cotton acreage below 27 million acres. So we tried year after year to get someone to propose an agricultural bill which would bring cotton under control. In the Control Act, which I sponsored as soon as I became a Member of the Senate, we recognized the situation. We recognized the desirability of what the State of Arkansas has done. It set aside enough of its acreage for trend and enough of its acreage for small farms. It did a job to serve the small farmers of that State. When it has done it, we say, "We will now penalize you in comparison with States which have not done that." I think that is wrong.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. ELLENDER. I am sure my good friend from New Mexico wants to be fair about it.

Mr. ANDERSON. I think I have said that.

Mr. ELLENDER. Notwithstanding the fact that the State of Arkansas has done all the Senator says it has done, it was 3,309 acres shy in making available to the farmers of that State the minimum provided for in the bill. Take the State of Oklahoma. Oklahoma set aside a sufficient amount to take care of the 4-acre farmer, but it was short some acreage. This bill provides for the deficiency.

If the Senator will look at column 6 and column 7 he will notice——

Mr. ANDERSON. Column 6 and column 7 of what?

Mr. ELLENDER. Of this table, which I thought the Senator had before him. He will notice that the number of acres allotted to each State is in some cases a little bit more than in others, but it does not average more than about 1 acre, because, in order to make it possible for the small farmers who have less than 4 acres or 75 percent of their highest planting in 1952, 1953, and 1954——

Mr. ANDERSON. I am not questioning that. I am pointing out that the State of Arkansas has 6,400 small cotton farms and it did a pretty good job. The statistics carried in the Senator's hearings break down only to 5 acres and not to 4 acres.

Mr. ELLENDER. The point I wish to make, and I am sure the Senator will agree with me, is that in Alabama, although Alabama made an effort to take care of the situation about which complaint is made, they were 20,724.7 acres short of being able to take care of all their farmers.

Mr. ANDERSON. I have not questioned that. I have not said they should not try to take care of the farmers in Alabama. I say, if the committee has such a strong desire to take care of distress in Alabama, why does it say it will not take care of distress in Arkansas?

Mr. ELLENDER. We do, on the same basis as in Alabama.

Mr. ANDERSON. I made a motion that there be allocated enough acreage, 3,600 acres, to take care of one distress situation in New Mexico, and approximately 5,000 acres to take care of the Welton-Mohawk situation in Arizona, where the distress is as great as it is in any other State.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. ELLENDER. A moment ago, when I was discussing the matter with the Senator from New Mexico, I referred to a table indicating the number of acres allotted to various farms in the country and the number of farms affected.

Mr. President, I ask unanimous consent that the table may be printed in the RECORD at the point where the discussion took place.

Mr. ANDERSON. I appreciate the chairman of the committee offering the table. I wish that it might be placed in the RECORD at that point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1955 upland cotton allotments: Additional acreage allotments required and number of farms affected in providing minimum farm allotments on basis of specified proposals [1]

State	Smaller of 5 acres or largest planted acreage [2]		Smaller of 4 acres or largest planted acreage [2]		Smaller of 4 acres or 75 percent of largest planted acreage [2]	
	Additional allotments required	Farms affected	Additional allotments required	Farms affected	Additional allotments required	Farms affected
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Acres	*Number*	*Acres*	*Number*	*Acres*	*Number*
Alabama	52,284.7	40,386	32,243.4	27,840	20,724.7	21,930
Arizona	233.3	98	152.1	82	134.5	78
Arkansas	8,465.5	6,598	5,054.7	4,252	3,309.7	3,041
California	0	0	0	0	0	0
Florida	10,152.4	5,975	6,886.9	4,860	5,064.6	4,458
Georgia	41,776.4	28,124	24,701.6	19,594	17,799.9	16,502
Illinois	207.6	183	144.1	147	75.5	83
Kansas	3.8	2	2.2	1	2.2	1
Kentucky	608.0	599	449.9	519	298.1	427
Louisiana	20,101.6	14,234	13,221.2	10,354	8,860.7	8,602
Mississippi	68,497.4	47,164	44,410.4	36,934	28,132.9	32,588
Missouri	3,046.3	2,480	1,665.0	1,492	1,062.0	1,139
Nevada	0	0	0	0	0	0
New Mexico	292.8	149	175.8	100	158.7	93
North Carolina	86,023.7	59,523	61,374.4	51,071	38,580.2	47,470
Oklahoma	3,526.7	1,968	1,986.2	1,357	1,807.5	1,293
South Carolina	36,042.5	33,072	21,262.0	20,681	12,641.3	13,079
Tennessee	34,806.4	27,791	22,351.1	20,909	14,274.7	16,712
Texas	25,971.1	18,873	15,299.7	12,666	11,061.5	9,967
Virginia	8,281.1	5,882	6,464.2	5,525	4,071.5	5,379
United States	400,322.3	293,101	257,844.9	218,384	168,059.3	182,847

[1] These data subject to further refinement.
[2] Largest planted acreage during 3-year period 1952, 1953, and 1954.

Mr. ANDERSON. Mr. President, how many votes did we receive on my relief proposal in the whole Committee on Agriculture and Forestry? One—my own. It seems that distress depends upon where one lives.

The farmers in Arizona, who have just as much distress, including a group of veterans who have gone into the Welton-Mohawk project, as the Senators from Arizona well know, are in just as much trouble making their payments to the bank and trying to live as are some of the persons who are talking about 3-, 4-, and 5-acre farms.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the able Senator from Arizona. Have I misstated the situation as to Arizona?

Mr. GOLDWATER. The Senator from New Mexico has stated the situation exactly. I wish to reiterate what the Senator has said, in that he believes, and I agree with him, that the matter of difference in farm economics must be taken into consideration.

In my State of Arizona, a cotton farmer cannot get along with any acreage under 10 acres. So anything under 10 acres in Arizona is a small farm.

I think the Senator from New Mexico will agree with me that while in Arizona only 152 acres are needed to take care of 4-acre farms, we are getting today 134 acres under the committee bill. That is not of great concern to our economy, because in the West and Southwest 10 acres is pretty generally the smallest economically sound farm unit.

I also call attention to what the Senator from New Mexico has related with regard to hardship cases in the Welton-Mohawk area.

In 1947, by the good judgment of Congress, a national reclamation project was started there. Veterans all over the United States were told that if they could go to that area with reasonable credit, amounting to about $3,000, they could go into the farming business by drawing for land. They were told by the United States Government that they should go there.

They are in the process of developing 74,000 acres of rich soil which now has Colorado River water on it. It has cost the young veterans an average of $177 an acre merely to develop the land. The only way they can get a cash crop is by growing cotton, which they are now denied.

Does the Senator from Mexico realize that out of 74,000 acres Welton-Mohawk farmers will be able to plant less than 5,000 acres in cotton in the coming year?

Mr. ANDERSON. That means absolute financial suicide. Yet when an amendment was presented to the Committee on Agriculture and Forestry, couched in the very language the able senior Senator from Arizona [Mr. HAYDEN] had requested, an amendment in language which he had devised to take care of the specific problem of Arizona, not one member, other than the junior Senator from New Mexico, thought it was reasonable to give relief to Arizona.

Yes, it is said, give 20,000 or 30,000 acres, or give 15,000 acres, but keep it all east of the Mississippi River. I do not think that is right. There is an entirely different type of agriculture in the West and Southwest.

I hope that my membership on the Committee on Agriculture and Forestry helps me to understand that wholly different problems exist in different parts of the country, and that a problem existing in one section must be met just as fully as any other problem.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. GOLDWATER. I appreciate fully the activities of the distinguished junior Senator from New Mexico on behalf of agriculture, not only in the West, but all over the United States. I believe he realizes, probably better than any other person among the leaders in agriculture, the fact that the agricultural economy of the United States is changing; that cotton is bound to move to the west, and cattle to the east. There are other changes taking place also. But the Senator from New Mexico long ago recognized these facts.

Does the Senator from New Mexico realize that of the 515 new farms in Arizona last year, 350 were in the Yuma County area where we find the Welton-Mohawk project?

In addition to asking the question, I should like to make the statement that those 350 farms are almost entirely hardship cases. Yet they are not 4-acre or 5-acre farms; they are farms of 10, 40, 60, or 160 acres. Those who acquired those farms are losing not merely what they need to make their acres productive, but they are losing their life savings, by not being allowed to plant not 2, 3, or 4 acres, but their allotment is zero acres.

Mr. ANDERSON. I have received some letters which I hope to introduce into the RECORD that relate to New Mexico farms in the dust bowl area. The Government recognized that they are in sufficient distress to give them feed enough to take care of an area which has been drought-stricken throughout the years. Because they could not plant for three consecutive years, they lost their history. When we asked for relief for them, we got not a vote from the members of the Committee on Agriculture and Forestry for them. I say that is wrong.

I want to plead my case by saying that I have tried to recognize distress for a long time. In 1949, when the cotton acreage law was being drafted the able senior Senator from Oklahoma [Mr. KERR] pointed out to me that because of peculiar circumstances in Oklahoma, the cotton acreage allocation provided in the bill would do Oklahoma a great injustice. He pointed out that the agriculture was shifting in parts of the State, and that the area where cotton had been grown no longer had its history. He asked if something could not be done to take care of Oklahoma.

The bill was drawn so as to waive applying the rule strictly. What was done in the case of Oklahoma was a help. We wrote this into the bill:

> The average of the planted acreages, including acreage regarded as planted under the provisions of Public Law 12, 79th Congress, in the States for the years 1945, 1946, 1947, and 1948, shall constitute the national base.

Then we included this language:

> Except that in the case of any State having a 1948 planted cotton acreage of over 1 million acres and less than 50 percent of the 1943 allotment average of acreage planted for the years 1944, 1945, 1946, 1947, and 1948, shall constitute the base for such State.

How many States could qualify under that definition? One State. Just Oklahoma.

But we recognized then that Oklahoma had a problem, and we tried to meet it.

I say that today problems exist in the Western States of Oklahoma, New Mexico, Arizona, and California. It is not right to treat those States as if they had suddenly dropped out of the Union.

Mr. ELLENDER. I should like to remind my good friend from Arizona that we realize, of course, the situation in his State. But I say to the Senator from Arizona that even if the veterans had come to Louisiana or Mississippi without cotton acreage, they would be in the same situation as though they went to Arizona, under the present law. They are new farmers. The law would have to be changed entirely in order to take care of the situation of which the Senator complains.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. ELLENDER. I do not have the floor.

Mr. ANDERSON. I yield to the Senator from Arizona for a question.

Mr. GOLDWATER. In answer to the remarks of the Senator from Louisiana, I should like to state that the Wellton-Mohawk project was begun in 1947, before allocations were started. The veterans were promised the land on which to grow cotton. They went to the project, expecting to be able to grow cotton.

I believe there is some moral responsibility involved. I realize the problem confronting the Senator from Louisiana in his State, but I have been trying to bring out the same point which the Senator from New Mexico has tried to bring out; that whereas the Senator from Louisiana refers to a problem involving 4-acre or 5-acre farms, the same problem confronting the farmers of Arizona involves the economy of 10-acre farms.

Mr. KERR. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. KERR. I wish to express appreciation again to the distinguished Senator from New Mexico for the work he did for Oklahoma a few years ago. I hope that he will be equally successful in 1955 in his efforts to bring about a more equitable allocation of distress acreage than has been provided by the committee.

Mr. ANDERSON. I was not a member of the subcommittee and had no opportunity to participate in its deliberations; but had I been given an opportunity, I would have tried to make certain that the State of Oklahoma would get the same relief in those areas which lie across the State line from New

Mexico, where I know personally that drought conditions are severe. I would have been glad to receive the testimony of the Senator from Oklahoma as to what was needed in other parts of his State, because I feel certain that the distress is just as prevalent there.

Mr. President, I wish to place in the RECORD a few letters and telegrams which I have received. I think it is unfortunate that the impression should be left that only the small farmers are in trouble.

I have received a letter from the editor of the Portales Daily News, of Portales, Roosevelt County, N. Mex. In the letter the fine editor, Gordon K. Greaves, whom I have known since he was a boy, makes some appeals for assistance. He pointed out that the cotton allotment was some 17,000 acres. They used to have 40,000 acres in cotton. But there had been a drought, which made it difficult for the farmers to plant.

The local committees were in real trouble. They asked the Secretary of Agriculture if he might recognize the drought as an abnormal condition.

So I offered an amendment which, as I have said, did not receive much consideration yesterday. I thought there was a possibility that a drought threat, when the Federal Government has year after year proclaimed land as in a drought area, might be considered.

Mr. President, I ask unanimous consent that the letter from the editor of the Portales Daily News be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE PORTALES DAILY NEWS,
Portales, N. Mex., November 18, 1954.

Senator CLINTON P. ANDERSON,
United States Senate,
Washington, D. C.

DEAR SENATOR: I suspect that you had an idea we would be needing some help in our 1955 cotton allotments, when you last talked to me. We only found out this past week that we are up against another problem.

I understand that each county's acreage allotment is based on their acreage for the years 1948, 1950, 1951, 1952, and 1953. The application of this formula to Roosevelt County has resulted in our obtaining a total acreage for 1955 of 17,644, after all the extra allowances for which our county is entitled have been included. This is a reduction from our 1954 allowable acreage of 10,468, or about 37 percent. The local ASC office reports that only around 22,000 acres were actually seeded to cotton this year, and slightly more than 17,000 were standing at the time the cotton was measured. This sharp decrease, of course, was due entirely to the drought.

Acreages for individual farmers are computed on the basis of the average of the acreages for 1953, 53 and 54, and the factor is 47.7 percent. In other words, a farmer who had 100 acres for each of these years, would be entitled to 47.7 acres for 1955. And the way the program works out, if he was unable to plant for 1 or 2 of those years, he would be allowed only 47.7 percent of the total for the 3 years, divided by three. You can readily understand what this has done to a cotton grower like Mr. Killion at Causey, who had a 500-acre allotment on his dryland farm this year, but was unable to plant because of drought. Actually, his acreage for 1955 will be around 79 acres because he has been able to plant cotton in only 1 of the 3 specified years. There are a number of dryland farmers who have been unable to plant cotton in any of the past 3 years, and therefore they are out of the picture entirely, except for what nominal acreage they might be able to obtain as a new grower.

I believe Roosevelt County is the only one in New Mexico where this problem exists, because it is due entirely to the dual nature of our farming. We have only around 40,000 under irrigation, and well over 200,000 in so-called dryland cultivation. The failure of our dryland farmers to plant their allotments reduces our base acreage, and is reflected back to our irrigated farmers.

Our county ASC committee explains that although the law permits them to give a farmer credit for acreage he did not plant due to abnormal weather conditions, that it would not have been fair to our irrigation farmers to have done this, because, since the county's total acreage would not have been increased by this practice, they simply would have divided the inadequate acreage among more farmers.

I met with a group of 20 of these farmers last night, and with the county ASC committee, and it was agreed that the county committee would make every effort to gain some relief and extra acreage from the State. However, we recognized this isn't likely to be very helpful for the reason the State committee has already allocated all the acreage to which the State is entitled.

We have hashed this problem over at length, and have tried to come up with some simple formula, similar to the "60–40–40" formula that helped so much last year. Some farmers think that the answer would be to allow them to use the best 3 out of 5 years to arrive at their base, but I am fairly sure that this would raise the Nation's cotton acreage unduly on a national scale, and would defeat the very purpose of the curtailment in acreage.

One suggestion, made by Morton Gragg, who you will remember as one of the group which met with you last winter, seems to me to have possibilities. He believes that if it were possible to provide that no farmer's acreage would be reduced by more than 20 percent of his 1954 allotment, that our problem would be solved. This has the merit of at once taking care of our "abnormal weather" angle, and at the same time limiting our acreage below the national average.

The trouble is that at the moment none of us know what can be done, through administrative orders by the Secretary of Agriculture, or State authorities, and what would require new legislation. Arthur Jones thinks we should have a copy of the original law to see if we can find a loophole for ourselves.

At any rate, I am taking the liberty of telling you of our problem, and will appreciate any advice you can offer.

I am enclosing clippings of recent stories bearing on the point.

Sincerely,

GORDON K. GREAVES.

Mr. ANDERSON. I ask unanimous consent that three articles dealing with the cotton-acreage bill may be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COTTONGROWERS HERE FACE 50 PERCENT ACREAGE CUT—ONE-THIRD OF STATE'S TOTAL TRIMMED HERE

Roosevelt County's 1955 cotton-acreage allotment has been reduced by 10,468 acres, or 37 percent under the allotment for this year, while the State's total acreage has been reduced by only 35,748 acres, and only 15 percent, figures from the county ASC office showed today.

The county's acreage allotment was revealed by the county ASC committee yesterday. The total cotton acreage which may be planted in Roosevelt County for 1955 is 17,644. For the current season, the county's total acreage allotment was 28,217, but drought conditions trimmed the amount actually harvested to less than 17,000 acres.

Elward Combs, the county ASC office manager, said today that individual acreage allotments for the 842 farms with a cotton history in the county are being computed now in the local office. He said that the regulations required that the acreage for these individual farms for the past 3 years be used as a base period. The allotment will be 47.7 percent of that 3-year average.

This method of computation, as well as the sharp reduction in the county's total acreage, are expected to be protested vigorously by local cottongrowers and their friends.

These cotton growers point out that again the Department of Agriculture has failed to take into account the abnormal weather conditions, which has resulted in a negligible amount of dryland cotton being grown during the past 3 years.

Combs said today that any farmer who has failed to plant cotton during any of the past 3 years, would not be eligible to share in the county's acreage quota this year, but he said that a 1,400-acre reserve has been set up to take care of these farmers on the basis of new growers.

Combs reported that for this season, only 22,671 acres were planted to cotton, and only 17,731 acres were still standing when the crop was officially measured. This acreage was further reduced by dry weather during the growing season, but no accurate estimate is yet available of the total harvested acreage.

Combs also explained that the county's cotton acreage history for the past 5 years, excluding 1949, was used as the base on which the county's total acreage was arrived at. He pointed out that the use of these years for the base is required by the law.

Next year's base acreage, Combs said, was 15,959, and the county received an additional 608 acres for the "adjustment for trend," 75 extra acres for "reserve for small farms" and 1,002 from the State reserve "for hardship and inequities."

The total of all these amounts is 17,644 acres, but Combs explains that the county is required to set aside 1,400 acres as a pool for adjustment of hardship cases leaving 16,244 acres to be distributed among eligible growers.

While the county's acreage allocation for next season probably equals the acreage actually harvested this season, the fact that this acreage must be distributed among all those who have cotton history during any one of the past 3 years will drastically reduce the acreage of individual farmers. Combs estimates that farmers will find their 1955 acreage reduced by about half of what it was this year.

Although it is too early to get the reaction of farmers to this reduction, it appeared today that another effort, of the same sort that was successfully undertaken last year, will be necessary.

At that time, however, the problem was a faulty law, which required a farm's cotton acreage to be based on the total cultivated acreage, regardless of any cotton history. This was remedied only by a special act of Congress, providing alternate methods of computing acreages.

This year, it appears the problem is due to the failure of State authorities to take into consideration the abnormal weather which has resulted in almost no dryland cotton being planted for 3 years.

On December 14 the Nation's cotton farmers will again vote in a referendum to determine whether marketing quotas will be operative for the 1955 crop.

[From the Portales News of December 1, 1954]

COTTONGROWERS PREPARE APPEAL

Around 800 Roosevelt County cotton farmers will receive notice today of their acreage

allotments for 1955, as a committee of growers prepare to carry to the State ASC, and Washington, a plea for credit for cotton history lost due to the drought.

Roosevelt County's total acreage will be reduced by 10,984 acres next season—more than any other county in New Mexico. Most of the reduction is attributed to the county's loss of credit in Department of Agriculture records for farms where no cotton was planted because of the drought.

In an all-day session yesterday, this committee of cottongrowers, headed by Robert Compton, Jr., sought a formula that could be made a part of the Nation's agricultural law, that would prevent growers in any one section from sustaining more than their fair share of the Nation's acreage reduction.

Compton left early today for Albuquerque to attend the State Farm Bureau convention, and hoped to present a resolution on the subject to that group. He also hoped that a meeting could be arranged with the State ASC committee, and possibly with Senator CLINTON ANDERSON.

Those working with Compton on the committee yesterday were I. D. Bigler and Dick Martin, of Floyd; Vernon Watson, of Rogers; Kenneth Victor and Dude Harvey, of Dora; and W. G. Vinzant, the county agent. Several other members of the committee who weren't able to be present yesterday planned to attend the State Farm Bureau meeting and any special meetings that are arranged in Albuquerque.

Out of this meeting yesterday came 2 proposals, 1 as a permanent amendment to the Nation's agricultural law, and the other as a policy change to be applied to the 1955 program.

The proposed amendment: *"Resolved,* That the percentage decrease in the individual farm cotton allotment cannot exceed the percentage decrease in the State cotton allotment by more than 2 percent in any 1 year in which cotton acreage allotments are in effect."

Compton explained that the purpose of this proposed amendment is to have a permanent buffer written into the law that will prevent undue hardships on any cotton-producing area, and thus avoid the annual necessity for committees to carry appeals to the State and National authorities.

For the immediate relief of cottongrowers this year, the committee drafted a second proposal, which is to be submitted to the State ASC committee, with an appeal that the State group help press for relief through the Department of Agriculture.

Here is the second proposal:

"To give recognition to individual farms for drought in 1952 and 1954, allowing an adjusted 3-year acreage for computing the 1955 base history, this additional acreage being supplied by the Department of Agriculture in addition to the county's computed acreage.

"Further, individual farms which have been severely cut in their acreage allotment should be readjusted so that their 1955 acreage allotment should be equal to 65 percent of the average of their 1952, 1953, 1954 planted acres; or 80 percent of their 1954 allotted acres, whichever is the highest, not to exceed 50 percent of their tillable cropland."

Compton explained the reason for the second proposal is to give relief to farmers whose cotton acreage has been reduced under the present formula.

This formula simply takes into account the planted acreages in 1952, 1953, and 1954, takes the average, and the 1955 allotment is calculated on the basis of 47.7 percent of that average.

Compton explained that simply looking at the county's total acreages for those years gives an inaccurate picture of the problem. In 1952, the records show there were 31,418 acres planted; 36,167.8 in 1953, and 21,893.3 acres in 1954. Compton said that these figures would indicate that a normal acreage had been planted during the 3 years, but he points out that a check of the individual acreages on the farms listing sheets show a wide variation in the planted acreage from farm to farm, and from year to year.

Scores of farmers were not able to plant cotton in 1952 and 1954 because of the lack of moisture at planting time.

Also, Compton explained, unless a farmer planted cotton in at least 1 of the past 3 years, he is not eligible for an acreage allotment for 1955. Many farmers, he said, because of the dry weather did not get to plant in any of these past 3 years, and thus have gone out of the picture as far as acreage history is concerned under present regulations.

"Some way will have to be found to allow these farmers a share of the cotton acreage without penalizing those who did grow cotton during those years," he said.

He pointed out, however, that unless the State gets extra acreage from the national cotton pool to take care of these drought conditions, a mere distribution of the available acreage among all farmers would penalize the irrigated cotton farmer.

This is the reason, he said, that it will be necessary to carry this problem to Washington, so that extra acreage can be allotted to New Mexico to take care of this inequity.

[From the Roswell Record of December 3, 1954]

ROOSEVELT COUNTY COTTON MEN SEEK RELIEF FROM ACREAGE CUTS

PORTALES.—Roosevelt County cottongrowers, some of whose acreage for 1955 has been reduced by as much as 50 percent because they lost acreage history during the base period due to dry weather, will seek relief both at the State and national level spokesmen here said today.

Robert Compton, Jr., chairman of a special committee of growers which last year carried a similar fight to Senator CLINTON P. ANDERSON, and obtained extra acreage through an act of Congress, says two proposals have been drafted to prevent individual cotton farmers from having to accept a larger percentage reduction in their acreage than other areas.

First, he says, they hope to have the Agricultural Act, under which acreage reductions are ordered, amended to protect the farmer against wide variations.

This amendment would provide that a farmer's acreage allowance could not be reduced in any one year by more than 2 percent in excess of the percentage reduction ordered for the State as a whole.

Second, Compton proposes that acreage reductions this year be computed on the basis of 65 percent of the 3-year base average, or 85 percent of the 1954 allotted acreage, whichever is the greater, so long as no more than 50 percent of a farmer's tillable acreage is in cotton.

Roosevelt County's cotton acreage for 1955 has been reduced by nearly 11,000 acres from the 1954 allowance, which is a 35-percent reduction. The State's acreage was reduced by around 37,000 acres, which is around 15 percent. Compton explained that this loss in acreage is due entirely to the failure of Department of Agriculture authorities to take into account acreage lost due to the drought. He said the only practical way to give the farmers of Roosevelt County the acreage they need to be on a par with the rest of the State is for Washington to allot additional acreage for this purpose.

Mr. ANDERSON. Mr. President, I received a letter from a farmer which reads as follows:

I am enclosing newspaper articles about the cut in our cotton acreage which explains our troubles. It seems to me to be very unfair that we take a 50-percent acreage cut on cotton.

There is no suggestion that any of the other farmers are taking 50 percent cuts. That is why I say to the Senators from Arizona and Oklahoma they had better vote down the amendment offered by the Senator from South Carolina [Mr. JOHNSTON], so they may have a chance to vote on the amendment of the Senator from Mississippi [Mr. STENNIS]. The latter amendment is not perfect, but it is a paragon of loveliness compared to the pending amendment and it would do to the farmers.

The proposal by the committee would give the State of California not 1 acre. I think the Senators from California should vote against the amendment. The proposal would give the State of Arizona about 150 acres. I think the Senators from the State of Arizona had better vote against it. The State of Texas historically has earned nearly 50 percent of all the cotton acreage in this country. Texas did not steal the acreage; it got it honorably, by planting to cotton over a long period of years. Texas has a base of 7,600,000 acres. If there were equity in the bill, Texas would get 114,000 acres. But under the proposal what would it get? Eleven thousand acres. Personally, I do not think Texas needs 114,000 acres to serve its population, but the bill would not give Texas a chance to take care of its trouble wherever trouble exists. Therefore, I think a more equitable allotment should have been made to Texas, as in many other places, so I believe the Senators from Texas had better vote down the amendment now pending and support the Stennis amendment.

Mr. President, I continue to read from the letter dated November 18, 1954:

It was so dry this year we didn't even get to plant our acreage allotment; we certainly shouldn't be penalized for that.

This letter was written November 18, 1954.

In fact out of the last 5 years it has been so dry in this country that us dryland farmers have only been able to raise cotton 2 years. Then it was no bumper crop—and didn't add to the surplus.

We can't make the payments on our place if we can't have some rain and more cotton acreage. We appreciate what you have done for us and hope you will help us dryland farmers out again.

Sincerely,

FRANK GREATHOUSE, Jr.

ROGERS, N. MEX.

I think that letter is typical of a whole stream of these letters. They do not all have to be put into the RECORD, but one by one they tell the story of distress.

I hope the Senate will proceed to vote down the pending amendment, and, then will adopt the Stennis amendment, and send the bill to conference, in order to see if we can do justice to such States as Arkansas, Oklahoma, Arizona, Texas, and even New Mexico.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from California.

Mr. KUCHEL. First of all, I wish to say to the Senator from New Mexico how proud I am to be able to call him my

friend and to have listened to the argument against the pending amendment, which is shocking and completely unfair.

The Senator has indicated his long and deep interest in the subject of agriculture. He did not mention the splendid record he made when he served in the Cabinet of the President of the United States as Secretary of Agriculture.

I wish to recall to the Senator the testimony which was adduced before the subcommittee of the Committee on Agriculture and Forestry, and ask him if it is not a fact that the president of the American Farm Bureau Federation, a citizen of Alabama, advised the committee to adopt no legislation whatsoever on this problem.

Mr. ANDERSON. Yes. That is the position of the American Farm Bureau and the position of the Department of Agriculture. So far as I know, it is the position of everyone who has made a study of the situation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a tabulation showing a record of 47 farms dropped from the 1955 listing sheet.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Total of 47 farms were dropped from the 1955 listing sheet. Of these 47 farms, 15 surrendered their 1954 allotment. These farms and the additional 32 farms were omitted from the 1955 listing sheet because they did not have history for 1952–53 or 1954. These farms constituted a loss of 1,400 acres to the county.

Illustration from specific farms

	Acres
R. O. Peterson, farm serial No. 55–54:	
Total cropland	982
Cotton acreage:	
1951	600
1952	100
1953	0
1954	0
1955 allotment:	
Factored allotment	15.9
Adjustment for hardship	4
1955 allotment, total	19.9
John Creek, farm serial No. 7179:	
Total cropland	180
Cotton acreage:	
1951	68
1952	65
1953	0
1954	0
1955 allotment:	
Factored allotment	10.4
Adjustment	4.7
1955 allotment, total	15.1

Mr. ANDERSON. Mr. President, I believe I shall not place in the RECORD a summary of the precipitation data, I merely state that it shows one of the problems which confront the farmers.

Mr. President, I now ask unanimous consent to have printed in the RECORD a letter from the Roosevelt County Farm Bureau Cotton Committee, of Portales, N. Mex., enclosing a memorandum of agricultural information from Roosevelt County, N. Mex.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

THE FIRST NATIONAL BANK,
Portales, N. Mex., February 5, 1955.

Senator CLINTON P. ANDERSON,
Washington, D. C.

DEAR SENATOR ANDERSON: We are pleased to enclose in this letter a memo giving agricultural information in regard to Roosevelt County and the cotton allotment granted to this county for 1955.

We feel that if there is a county in the United States that has hardship cases, it is this county, which, as you know, has had a severe drought during the past 3 years, which drought has eliminated the planting of cotton on our dry land farms for either one or more of those 3 years, on which our cotton allotment is based.

We are therefore writing to ask your help in bringing this matter before the Senate Agricultural Committee and especially the subcommittee which we see by the papers has been appointed by Senator ELLENDER to take up with the Department of Agriculture the possibility of increasing the total cotton acreage some 200,000 to 300,000 acres to take care of hardship cases.

We have included in this memo the number of farmers who have allotments of less than 5 acres, which we certainly consider a hardship and an unprofitable acreage; however, it will take only some approximately 300 acres to bring those 140 farmers up to a 5-acre planting.

We certainly will appreciate any help that you can give us. Our income from cotton from the county is one of the greatest sources of income the county has and the continued decrease in acreage, coupled with the drought, is playing havoc with the welfare of this county.

We certainly hope, therefore, that Senator ELLENDER's recommendation will be followed and that you will be able to get the committee to allot a reasonable proportion for New Mexico and to be used in the drought-stricken areas.

Yours very truly,

Robert Compton, Jr., Chairman; Emil Bigler, H. B. Duncan, John F. Morgan, Jr., Ishmel D. Bigbe, L. C. Morrison, R. O. Peterson, J. T. Laxson, Roosevelt County Farm Bureau Cotton Committee.

AGRICULTURAL INFORMATION FROM ROOSEVELT COUNTY, N. MEX.

Roosevelt County has a total of approximately 1,600,000 acres of land, of which some 400,000 acres is in cultivation. The county has 1,700 farmers, of which 840 grow cotton.

The cotton allotment for 1954 for this county was approximately 28,000 acres. For 1955, the allotment is 16,560 plus 1,200 acres additional allotment granted by the State committee for upward trend, making a total allotment of 17,760 acres, or a decrease from last year of approximately 35 percent. The average cotton allotment per grower for the county is 20 acres. Included in that is 145 farms with an allotment of 5 acres or less. The 840 farmers in the county who grow cotton have a total of 142,890 acres in cultivation, which gives an average of about 15 percent of the cultivated acres for growing cotton.

We need at least 5,000 acres additional allotment for Roosevelt County to take care of urgent hardship cases, including a small number of acres to bring the 145 farmers who have an allotment of 5 acres or less, up to 5 acres. The urgent hardship cases are dry land farmers in this drought disaster area, a great majority of whom, during the past 3 years, haven't had sufficient rain either in one or two of the past 3 years to plant cotton at all. So that in figuring the individual farm allotment of cotton for 1955 for this county, which allotment is based on the past 3-year average, when there is no credit given for the drought years when the farmers tried or wanted to plant and couldn't, for 1 or 2 of those years, gives the farmer such a low average that when you take 47 percent, the county factor, of that 3-year average, it cuts the average county farm allotment 35 to 40 percent and in many cases a great deal larger cut than that. The cut in these allotments for cotton and other crops is making it practically an impossibility for the small farmers to more than pay expenses and therefore not profitable to continue to operate under these conditions.

Mr. ANDERSON. Mr. President, if the Senator from California had not reminded me, I might have forgotten to mention that the Farm Bureau Federation has been beseeching Congress not to pass the bill now pending.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the distinguished minority leader.

Mr. KNOWLAND. I merely should like to say I join with my colleague from California in commending the distinguished Senator from New Mexico, who is a former Secretary of Agriculture, for the deep interest he has taken in the subject of agriculture.

I certainly think that any legislation which is enacted should be equitable to all the States which engage in the production of a particular commodity. I believe the amendment reported by the committee is not equitable. I hope it will be defeated. I hope the position being taken by the Senator from New Mexico, the Senator from Arizona, and other Senators will be supported by the Senate. I certainly take the same position.

I would take the same position if there were pending discriminatory proposed legislation adversely affecting the great States of the South. When the Senate legislates, I believe it ought to legislate, insofar as men can, on a basis which is equitable to the entire Nation.

Mr. ANDERSON. I thank the minority leader for his remarks. Along the line he just took, I should like to say that when the durum wheat amendment was before the Senate, it was my pleasure to support the Senator from North Dakota, because farmers in his State needed help. The adoption of that amendment could have hurt, slightly, the wheat farmers of eastern New Mexico. It might have hurt, slightly, the farmers in the western area of Texas, but if it did hurt them, it could not have hurt them as much as it greatly benefited the farmers of North Dakota. We wish to continue to legislate in that fashion.

Mr. ERVIN. Mr. President——

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. ERVIN. Mr. President, I was very much pleased when my distinguished friend from New Mexico and my distinguished friend from Oklahoma admitted that with regard to the pending bill they were representing their constituents. I think it is very interesting to see who their constituents are and who my constituents are. I am frank to admit that I am representing my constituents.

The question occurs, Who are our constituents?

The distinguished senior Senator from Oklahoma represents 1,293 small farmers. The distinguished Senator from New Mexico represents 93 small farmers. The distinguished junior Senator from Arizona represents 78 small farmers.

I know that there are more than 78 farms in Arizona. I know there are more than 93 farms in New Mexico. I know there are more than 1,293 farms in Oklahoma.

I should like the Senator to hear whom I represent. I represent 47,475 small farmers who have practically no way to make a living except by farming cotton.

If the Johnston amendment is not accepted, it will mean that many small farmers in my State will not be able to farm. They do not have farms which are irrigated. Although the good Lord ought to look more favorably upon North Carolina than upon any other place on earth, we have suffered from drought for 3 years almost as badly as have the farmers of the States in the irrigated areas of the country. The farmers in my State have no irrigation to supply water when it is needed.

The Johnston amendment is not designed to provide relief for men who are troubled about bank loans. It is designed to furnish relief for men who never have been able to get bank loans, and who will never be able to get bank loans. It is designed to aid men who can earn their own bread in the sweat of their own brows only by farming cotton. Under the bill, if it is passed, most of them will receive 1 acre or less.

Mr. President, this is a relief bill, not a bill to make permanent cotton allotments. It is a relief bill to aid small farmers who do not farm with tractors, and who have 4 acres or less. The purpose of the bill is to give them an opportunity to make a livelihood.

If we have to make a choice between having people unable to meet the interest on their bank loans and letting children go hungry, I think we had better take our stand on the side of alleviating hunger. In the last analysis, that is what the pending proposal is. I do not think we should legislate on the basis of States. My friends who represent so many big farmers, and so few small farmers, continue to talk about States. It seems to me, Mr. President, that the Senate of the United States should be concerned with human beings, rather than with property or with States.

Mr. KUCHEL. Mr. President, will the Senator from North Carolina yield at this point?

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Does the Senator from North Carolina yield to the Senator from California?

Mr. ERVIN. I yield.

Mr. KUCHEL. Is it not a fact that if the State committees in any of these States had been concerned with human beings and the 4-acre farmers, they could have utilized their States' acreage, last year, in behalf of such farmers?

Mr. ERVIN. That would not have taken care of the entire situation in the State of North Carolina.

Mr. ANDERSON. But, Mr. President, will not the Senator from North Carolina concede that his State did not devote to the small farmers a single acre of its State reserve?

Mr. ERVIN. Mr. President, if the North Carolina officials who made the allotments did wrong, that is all the more reason why the Senate of the United States should do right, and should write a bill which will compel the allotment of this acreage to those who have been mistreated.

Some say that those persons should continue to be mistreated. However, Mr. President, if North Carolina made wrong allotments, the Senate should have enough fairness to see to it that a correction of that situation is made by means of a law, such as the Johnston amendment, which will compel all the States of the Union to make fair and just allotments to the small farmers.

Mr. KUCHEL. Mr. President, will the Senator from North Carolina yield at this point?

Mr. ERVIN. I yield.

Mr. KUCHEL. If it be true that a State could have taken care of its 4-acre farmers, but did not do so, then obviously the State allocations went to those having more than 4 acres on their farms. Is not that true?

Mr. ERVIN. Not necessarily, because many of the States did not have allotments large enough to take care of all their small farmers, even if they had used all the acreage allocated to them.

Furthermore, the Senator from California is advocating the very thing he complains about. He complains that some of the States did wrong, but now he urges that another wrong be done. Two wrongs will not make one right.

Mr. KERR. Mr. President, I wish to say to the Senator from North Carolina that I have the deepest respect and greatest admiration for him generally, and certainly for the manner in which he represents his State. However, I wish to correct what I believe to be an erroneous impression which may have been created by one statement the Senator from North Carolina made. He indicated that the Senators from Oklahoma were speaking for only 1,293 small farmers. Mr. President, we are speaking for nearly 50,000 farmers.

The distinguished Senator from North Carolina said that in the event a State committee failed to allot sufficient acreage to take care of the small farmers within the State, the Senate would do a second wrong if it also failed to provide sufficient acreage so as to make it possible for the minimum acreage to be alloted to each and every farmer.

Let me remind the Senator from North Carolina that his State received as much of an original allotment, on the basis of its history, as did the State of Oklahoma; and, as a result, North Carolina received an allotment of a far greater number of acres than Oklahoma received. The committee in his State could have set aside sufficient acreage to take care of the minimum farmer, the same as was done in many of the other States.

Mr. President, if it were to become known that a State committee could refuse to set aside, for the purpose of taking care of its small farmers, any of the acreage allotted to the State, and that such failure would be followed by action by the Congress of the United States in then giving the State an additional allotment of acres with which to care for such farmers, it might be possible that no State would set aside enough of its original allotment to take care of the minimum farmers within the State.

Furthermore, I remind my friend, the Senator from North Carolina, that if the Senate were asked to right a wrong which was done when a State committee failed to allocate sufficient of the State's acreage allotment, in order to take care of its minimum farmers, the Congress would be confronted with the necessity of passing a law to compel each State to set aside enough of the acreage given it, to take care of its small farmers.

Mr. ERVIN. Mr. President——

Mr. KERR. Mr. President, does the Senator from North Carolina wish to ask a question?

Mr. ERVIN. I wish to ask whether the Senator from Oklahoma recognizes that is, in effect, what the Johnston amendment would do—namely, compel them to do right.

Mr. KERR. No; the intent of the Johnston amendment is to this effect: "We recognize that some of the States did not set aside enough acreage, and we will not compel them to do what is right, but we will mistreat every State which did set aside enough acreage to take care of its small farmers; we will mistreat those States by denying them sufficient acreage, but at the same time we will give additional acreage to States which did not set aside any acreage for that purpose, so that enough acreage will be available to the small farmers of those States—not at the expense of those States, but at the expense of all the cotton farmers of the United States."

Therefore, Mr. President, my colleague and I speak for the nearly 50,000 farmers of Oklahoma whose allotments are what they are today, and are as small as they are today, because a great amount of the initial allotment to the State of Oklahoma was used to do the job for the less than 4-acre farmers in our State—the job which now is sought to be done for the less than 4-acre farmers in the States whose committees did not take care of them.

Therefore, Mr. President, I wish to say that while I admire and respect any Senator who does what is best for his State, I am aware of the fact that we have an overall duty to do justice by all the States; and that when we face the problem of doing equity and serving justice we fail to solve it when we do that which relieves distress in only about one-fourth of the area, all of which is distressed.

I submit there is just as much distress in Oklahoma, Arkansas, New Mexico, Texas, and the other States concerned in this matter, and which are entitled to be considered by the Senate, as there is in the States which would be taken care of by the Johnston amendment.

So, Mr. President, I join my colleagues who seek to defeat the Johnston amendment; and I ask unanimous consent that my distinguished colleague, the junior Senator from Oklahoma [Mr. MONRONEY] and myself be shown as joint sponsors of the Stennis amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, at this time——

Mr. HOLLAND. Mr. President——

Mr. JOHNSON of Texas. Mr. President, does the Senator from Florida desire to speak at this time? I was about to suggest the absence of a quorum.

Mr. HOLLAND. Mr. President, I do desire to speak.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, a great deal of heat has been engendered by the discussion today—perhaps necessarily—but I think we need to give a little patient consideration to the question of just what this bill is supposed to do, and whether it will accomplish the objective.

I reiterate what I have already said in this debate prior to this time, to the effect that I offered no legislation in this field. I did not serve on the subcommittee which reported the bill. I had no thought of serving people in my State differently or better than those in any other State or area are served.

The senior Senator from Florida regards this bill as a relief bill, based upon humanitarian principles. It is not justified on any other basis of approach. He commends strongly the distinguished Senator from South Carolina [Mr. JOHNSTON] and the other members of the subcommittee for having cleared away all the other attempts to depart from the rather strict provisions of existing law relative to the allotment of acreage—that is, all attempts except those which have to do with giving some relief to farmers who, with less than 4 acres of cotton farm, are now being subjected to conditions under which their existence is imperiled.

That is what the bill does. It does not give any great amount of acreage to anyone. The exhibit already placed in the RECORD shows that the 168,000 acres involved in the Johnston amendment, other than the minor amount of acreage to Nevada and Illinois, which has already been explained, will go to 182,847 different farmers, which means that on the average each of them will receive less than 1 acre to add to the allotment which he has been given.

Obviously, and on the face of it, this is a relief measure. It cannot be regarded as anything else. The senior Senator from Florida thinks it is a great mistake to array State against State, or the problems of much bigger growers, wherever they may be—whether in the West, the South, or anywhere else—against the problems of the pitifully small growers who are the only ones who are affected by the committee amendment.

I invite the attention of every Senator from a cotton-producing State, as well as the Senators from other States, to the fact that in every State which has a larger number of small farmers who would be benefited by the bill, there are also growers having larger acreages who have exactly the same problems as are faced by farmers who have larger acreages in other areas of the Nation.

This is not the type of bill designed to give relief to all farmers. It is a bill under which those who are in pitifully poor circumstances are singled out for some relief. I do not think the States which happen to have sizable numbers of pitifully poor cotton farmers are to be blamed because the bill happens to apply to those people in their States. Instead, they are to be sympathized with, because, as a matter of fact, it is in the areas where the small farms exist that the problem is most acute. We cannot wish it away.

I desire to reiterate the point just made. In Florida, Georgia, Alabama, Mississippi, South Carolina, Oklahoma, Arkansas, Texas, and every other State, aside from the irrigated Western States, there are tens of thousands of farmers, in the aggregate, who are not brought into the field of this proposed relief. We do not propose to give them any relief. We would be on unsound ground if we did propose to give them any relief. But I think we are on very sound ground in recognizing the manifest fact that there is a great group of small farmers—and I repeat the figure, 182,847—who have less than 4 acres under the allotment, and who, on the average, will receive less than an acre apiece under the committee proposal.

If that is being unfair to anyone, if that is giving relief where relief is not needed, if that is withholding relief from places where it is needed, then I completely misunderstand the nature of the proposed legislation.

I have seen a great many crocodile tears shed on the floor of the Senate in the time I have been here, but I have never seen quite so many shed as in the discussion of this bill. Senators weep for folks who have 60-acre fields, 80-acre fields, or 160-acre fields, who are able to have diesel plants, great tractors, and so forth, to cultivate their fields. They must have them if they are to cultivate their large farms. Yet Senators seek to place them in the same category with farmers who have less than 4 acres to cultivate, and who must look to the proceeds of that tiny cultivation to meet the needs of their families.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. GOLDWATER. I should like to correct an impression which I think exists in the Senator's mind with respect to what Senators from the irrigated States have been talking about.

We agree that the Senator's State has a problem with its 4-acre farms. It probably should be taken care of, we feel, by the State committees under the State allocations. We are talking about our small farmer. Our small farmer is not a 4-acre farmer. He is a 10-acre farmer. We are not crying about the 60-, 80-, or 160-acre farmer.

Mr. HOLLAND. The Senator did not hear the able address of the distinguished Senator from New Mexico [Mr. ANDERSON].

Mr. GOLDWATER. I was present during most of it. I did not hear him crying for the large farmer. I heard him crying for the small farmer in the West, who is not a 4-acre farmer, but a 10-acre farmer. The Senator ably brought out that there is a difference in the economic units. We in the West recognize that. We want justice done to our small farmer, who is not a 4-acre farmer; but is a 10-acre farmer.

Mr. HOLLAND. There are several incorrect premises in the remarks of the distinguished Senator from Arizona. The first is his feeling that all the States in which there have been shown to be large numbers of small farmers have not done their best for those small farmers. To the contrary, as I read the record, except in two States, which it is not necessary to mention again, the States have made every effort to take care of their small farmers. That certainly was done in my State. There was not enough in the State reserve acreage to begin to take care of the problems of the small farmers.

If the Senator will look at the figures for the State of Alabama, he will see that nearly all the State reserve was dedicated to small farmers, and that notwithstanding that fact, there is great need for additional acreage in order to provide the relief which is sought to be provided by this bill. That is one of the unsound premises which the Senator has evidently entertained.

Another premise which seems to be entertained by various Senators is that there is something regional or sectional involved in this question. The senior Senator from Florida has voted gladly for the reclamation projects of the West. He is glad that relatively large farmers are moving in to develop those areas. They are making contributions to the wealth of the Nation. While this measure was being considered by the committee, the Senator from Florida was working pretty hard on 2 measures which happened to vitally affect the State of California, for which he has a considerable affection, despite the well-known rivalry between the 2 States.

I do not think the Senators from California knew, until they were advised by the Senator from Florida, that at my insistent urging the Department of Agriculture had finally ruled that prunes and dried raisins were declared to be surplus, and allowed them to be traded in under the provisions of Public Law 480. I have no apology to make for having engaged in that effort. I was working for the grapefruit growers of my own State at the same time. My file indicates—whether the Senators from California know it or not—that a great many of the good people in their State feel rather kindly toward the Senator from Florida for having engaged in that enterprise.

During the discussion of this bill, the Senator from Florida has been engaged in a very extensive hearing in which it is being sought to build up the export business generally of the fruitgrowers of the Nation. The Senator from Florida sees on the floor his distinguished friend, the senior Senator from Kansas [Mr. SCHOEPPEL], who is also engaged in the long hearings on that subject. I believe the distinguished Senator from Kansas would be the first to say that the Senator from Florida has never for a moment forgotten, in the course of those hearings, to mention that one of his particular objectives was to take as much care

as he could through this effort, of the fruit and vegetable producers of the State of California, where the production far exceeds the aggregate production of his own State, so far as the value is concerned.

Therefore, Mr. President, suggestions, particularly when they come from the Senators from California, as they have come, that there is something regional or sectional in this matter, would be irritating but for the fact that the Senator from Florida does not believe they understand what is sought to be done under this bill.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be glad to yield in a moment. The fact is that in all the areas where the small growers are in such critical condition, there are also larger growers, who have their own problems. In most States the larger growers have given gladly of their reserves to the small growers, in an effort to help the small growers. In Florida, about 60 percent of the reserve acreage was assigned directly to them, and the rest of it was used to take care of inequities. The Senator from Florida is pleased to note that it has gone to the small growers, and he recognizes the effort of the large growers to take care of the problems of those who cannot take care of themselves.

Mr. President, we believe we are not in the category of fighting for something exclusively for ourselves and our own people. Certainly the Senator from Florida does not want to be placed in that category. The total number of poor cotton farmers in his State aggregates 4,458, out of a total of 182,847 who are involved. We will be able to get by somehow. But I would not feel I were doing the right thing if I stood on the floor of the Senate and supported a measure which did not take care of those small farmers.

With reference to the amendment which will come up after the pending amendment is disposed of, although it was not so designed, and even though the Senators who have offered it say it will take care of the situation, in my opinion, instead of giving about an acre to each of the small farmers in my State, it will give about one-eighth of an acre or less to each of the small farmers in my State. It will give that small amount to the poor farmers of my State who are in such pitiful circumstances.

It is a fact that the proposed amendment does not take care of the situation.

The sole objective of the subcommittee of the Committee on Agriculture and Forestry has been to take care of the pitifully small operations, which in nearly every case are carried on by families whose ability to continue to exist, even on the low standard of living which now prevails, is being terribly shaken by the administration of the legislation which has been passed, in the wisdom of Congress, for the benefit of a great and important industry which does need Government regulation and assistance.

At this time I wish to pay tribute to the distinguished Senator from New Mexico, who, as Secretary of Agriculture and as a great Senator, has fearlessly tried to have enacted legislation which would cut down overproduction and bring about some degree of balance and some degree of prosperity, on a continuing basis, for the cotton farmers of this Nation.

The Senator from Florida has been a party to that effort and a member of the subcommittee that brought out the Anderson bill, which in part reflects his thinking. He has been a party to the doctrine which was embodied in the bill Congress passed last year and which is now the Federal law on this subject. He does not yield even to his distinguished friend from New Mexico in his desire to bring order out of chaos in the field of agriculture.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I would not want the record to stand without admitting that the Senator from Florida has been very effective in all his work on agricultural legislation. It has been my great privilege to stand beside him in that effort.

Mr. HOLLAND. I thank the distinguished Senator from New Mexico. Perhaps we are beginning to get together and get back to normality, where we can consider this question as it is.

The pending bill seeks to give relief where relief is very badly needed. We know full well that if we should undertake in the bill to provide much larger acreage figures—and I wish we could write some of the larger figures into the bill—we would be doomed to disappointment in having the measure become law.

Cotton is already being planted in my State. Whatever we do here will be inadequate, I fear, to accomplish very much good there. I hope it will be something which will place first the problem of the small farmer who has less than 4 acres in his cotton farm.

I do not believe we need apologize to each other or to the public or to anyone else in singling out for direct relief, just as we do in other measures in various other fields, that class of cotton growers who, above all others, require some little help at the hands of Congress. There is no other place for them to turn.

I concur entirely with the position taken by my esteemed friend from North Carolina [Mr. ERVIN] that the mere fact that in two States the control committees did not handle the State reserve to the best interests of solving this question should not relieve the Senate from the responsibility of doing its job now. It happens that in my State the committee did serve well and did do its job well. There was simply not enough acreage to take care of the small growers.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. GORE. As I understand, there is no need for additional cotton production. Is that correct?

Mr. HOLLAND. None at all.

Mr. GORE. Then the only justification for this proposed legislation is to correct or to ameliorate or to mitigate hardship conditions. Is that correct?

Mr. HOLLAND. The Senator is right. He is saying in a few words what I have been saying at some length. There is no justification for any increase in the acreage, except to bring relief to that segment of the industry that needs it most.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. LONG. Am I correct in understanding that this bill does not intend at all to prejudice the production history of any of the States insofar as future legislation is concerned?

Mr. HOLLAND. The Senator is correct. The additional little bit of acreage which is given—and it is only a pittance—is on a 1-year basis, with the specific provision that it shall not add to the basis of apportionment or allotment in the future.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. LONG. I assume the Senator knows that in a State like Louisiana large farmers would not benefit, and it would be only the small farmers who could receive the benefit from such legislation as this.

Mr. HOLLAND. The Senator is correct. Insofar as the State of Louisiana is concerned, it is not one of those States which have not tried to take care of its own problems. The figures show that it has tried to do so.

It has not been able to do so. In spite of all it has done, there are still 8,602 small farmers in the State of Louisiana who under this measure would receive the grand total of 8,360.7 acres, or a small fraction more than 1 acre each, in an effort to try to build them up to 4 acres. Some would get less, but they would receive an average of 1 acre apiece in the effort of Congress to bring some relief to the pitiful situation which exists under present circumstances.

Mr. LONG. Inasmuch as the large farmers of a State like Louisiana would not be able to benefit from the legislation, would it not be difficult to explain to our large farmers why we undertook to give more acreage to large farmers in other States in a bill which is designed to take care of the small farmer?

Mr. HOLLAND. It would be difficult. In many States where there are a great many small farmers there are also large farmers, and those large farmers would not get anything under this bill, although they would like to get something.

The Senator's file, no doubt, is full of letters from people who complain that their acreage has been cut down from 120 to 70 acres or less, or something of that sort, and they would like to get relief, too. For us to give relief to farmers in that classification in other States and withhold it from our own farmers would be obviously wrong.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to bring to the attention of the Senate the fact that the amendment which I had previously offered, I now withdraw, and submit it as a modification of the committee substitute, which has been approved and authorized by the committee.

The PRESIDING OFFICER. The question therefore is on agreeing to the Stennis amendment to the committee substitute as modified.

Mr. HOLLAND. I thank the Senator for his observation.

Mr. President, I yield the floor.

Mr. KUCHEL. Mr. President, it is somewhat difficult for some of us to follow the recommended legislation regarding cotton. The House of Representatives, on the theory that it was doing equity and justice and alleviating hardship, passed a bill which provided for an increase of 3 percent in the 1954 allotment for each State in the Cotton Belt. The Senate committee saw fit to report to the Senate several days ago a new and different measure under which some 168,000 acres would be allocated or apportioned to the several States.

Mr. KNOWLAND. Mr. President, I wonder if my colleague will yield at this time, because I must temporarily leave the floor.

Mr. KUCHEL. I yield.

Mr. KNOWLAND. Mr. President, I understand the yeas and nays have not been ordered on the committee amendment, and I should like to ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. The yeas and nays have not been ordered on the Johnston amendment because he submitted it as a modification of the committee amendment.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. Did the Chair say that the yeas and nays have been ordered on the Stennis amendment?

The PRESIDING OFFICER. It is the understanding of the Chair that the yeas and nays have been ordered on the Stennis amendment.

Mr. ANDERSON. It is going to be accepted without a yea-and-nay vote? The committee reported a bill.

The PRESIDING OFFICER. That is correct; and the committee voted to modify it by the amendment offered by the Senator from South Carolina [Mr. JOHNSTON], which, therefore, makes the question on the Stennis amendment to the committee amendment as modified by the amendment originally offered by the Senator from South Carolina.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Then the vote will be on the Stennis amendment as modified, which is, in effect, a committee amendment as reported by the Senator from South Carolina [Mr. JOHNSTON] today.

The PRESIDING OFFICER. That is correct. The Chair will say that the vote will be on the amendment offered by the Senator from Mississippi to the committee amendment as modified by the amendment of the Senator from South Carolina; and the yeas and nays have been ordered.

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. Then, the vote will come first on the Stennis amendment?

The PRESIDING OFFICER. The Chair so understands. The Chair will state that the vote will be on the amendment to the committee amendment, as modified.

Mr. ANDERSON. As modified?

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Does the Committee on Agriculture and Forestry have the right to determine what is a perfecting amendment, or may a Senator have the right to raise a question as to whether or not it is a perfecting amendment?

The PRESIDING OFFICER. The Chair understands that the committee has a right to modify its amendment until the yeas and nays are ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Were not the yeas and nays ordered on the Stennis amendment prior to the amendment offered by the Senator from South Carolina?

The PRESIDING OFFICER. Not on the committee substitute, the Chair will state.

Mr. ANDERSON. Mr. President, I hope the Chair will listen to the question of the Senator from California. He asked, "Were the yeas and nays not ordered on the Stennis amendment before the Johnston amendment?" The answer, of course, is "Yes."

The PRESIDING OFFICER. But that was on the amendment offered by the Senator from Mississippi, and not on the committee substitute. It would not have any effect on the statement made by the Chair. The yeas and nays have been ordered.

Mr. JOHNSTON of South Carolina. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON of South Carolina. Mr. President, I think the situation at this time is as follows——

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Carolina was propounding a parliamentary inquiry.

Mr. JOHNSTON of South Carolina. Mr. President, the situation in which we find ourselves is that the committee offers a modification, which it has a right to do. Then any Senator on the floor has a right to move to amend. That is my understanding of the situation at the present time. The Senator from Mississippi has an amendment pending, which amends the bill.

Mr. HAYDEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HAYDEN. Mr. President, I desire to offer a perfecting amendment. I do not wish to lose the right to make the motion with respect to my amendment. When can I make it?

The PRESIDING OFFICER. The Chair will state that it is in order at this time.

Mr. HAYDEN. Mr. President, I offer an amendment to the Stennis amendment. My amendment is to perfect the Stennis amendment, and I wish to have it voted on at this time.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Arizona.

The LEGISLATIVE CLERK. At the end of the amendment of Mr. STENNIS, it is proposed to insert the following:

In addition to cotton-acreage allotments provided by this legislation and previous Cotton Acreage Acts, the 1955 cotton-acreage allotment heretofore established for Illinois and Nevada, pursuant to the provisions of subsections (b) and (k) of this section shall be increased to 3,500 acres, and the additional acreage so allotted to the State shall be apportioned to farms in the manner provided for above in this section: *Provided*, That in the case of Arizona, the additional acreage allotted to the State shall be apportioned so as to provide each farm for which a 1955 cotton-acreage allotment has been established, as well as each farm which is eligible for a 1955 new-farm allotment, a minimum allotment equal to 10 acres. If the additional acreage allotted to the State is insufficient to meet the total of the farm increases so computed, such farm increases shall be reduced pro rata to the additional acreage available to the State: *Provided further*, That in the case of New Mexico, the additional acreage allotted to the State shall be apportioned primarily to farms which the State committee determines are hardship cases, due to reduced cotton production caused by adverse weather conditions in 1952, 1953, or 1954, so as to provide fair and reasonable allotments for such farms.

Mr. HAYDEN. Mr. President, the amendment I have offered does not add a single acre to the allotment which would be received by Arizona or New Mexico under the Stennis amendment; the acreage remains exactly the same.

However, the amendment provides that when acreage is allotted to Arizona, that State shall provide for its distribution in a manner satisfactory to the people of Arizona; and in the case of New Mexico its acreage can be disposed of in a manner that suits the people of that State. That is all the amendment does with respect to Arizona and New Mexico.

The amendment also adds 440 acres for Illinois and 1,176 acres for Nevada. In the case of Nevada the principal reason for the addition is to provide sufficient acreage to enable the use of a cotton gin in that State.

SEVERAL SENATORS. Vote! Vote!

Mr. KUCHEL. Mr. President, I have been informed by my colleague, the distinguished senior Senator from California [Mr. KNOWLAND], that there is no objection to the amendment of the Senator from Arizona and that it can be agreed to. If that be the fact, I ask unanimous consent that the vote may be taken on the amendment without my losing the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona to the amendment offered by the Senator from Mississippi [Mr. STENNIS], for himself and other Senators.

The amendment to the amendment was agreed to.

Mr. KUCHEL. Mr. President, in the form in which the Senate committee originally reported the cotton bill, about

168,000 acres were allocated to the States of the Cotton Belt, so that the 1955 allotment in those States would be increased for the benefit of small, 4-acre farms.

In addition, one-half percent of the 1955 allotment was given to each State in the Cotton Belt.

By the amendment which was agreed to by the committee last night, the one-half percent of the present allotment to each State was eliminated. That is the effect of the perfecting amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

I wish to refer very briefly to the testimony of the President of the American Farm Bureau, a constituent of the distinguished junior Senator from Alabama [Mr. SPARKMAN], who now occupies the Chair. He stated before a Senate subcommittee that it had been the consistent position of the American Farm Bureau that the law should contain a mandatory provision that the small farmer be taken care of. No consideration favorable to that recommendation by Mr. Randolph was given by any committee of Congress or by the Congress, and no provision of that kind was written into the law. So each State, with respect to its 1955 allotment, had a right to make its allotment in any fashion it desired.

The Senator from New Mexico [Mr. ANDERSON] has graphically stated that some States first made their allocations in favor of the small-acreage farmer, while other States did not.

The State of the distinguished junior Senator from Alabama devoted a great amount of its 1955 allotment to the alleviation of the situation of the small, 4-acre farmers.

So I think it can be said that the proposed legislation now being considered on the floor would be exceedingly unfair if it were grounded on the theory that States that have done what justice and common decency dictate should be penalized, and that an additional allocation, provided by emergency legislation, should be given only to those States which did not follow equity and justice in their allocation and distribution of the acreage.

For those reasons, and because I do not wish to take more of the time of the Senate, I sincerely hope that the amendment offered by the Senator from South Carolina [Mr. JOHNSTON], which gives California zero acres, will be rejected when the vote is taken on it.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I am sure all Senators realize the importance of the cotton crop to the agricultural economy, and to the general economy of the Nation, as well. We all realize, too, the plight of a considerable number of the small farmers in a few States who, without appropriate legislative action, will be unable to plant enough cotton to make a decent crop this year. It was in recognition of this situation that I agreed to the reporting of the pending bill by the committee, reserving the right to oppose any amendments, or the bill itself.

Mr. President, I believe we should consider briefly what the cotton situation is. We know what happened in the case of potatoes, when we induced the production of huge quantities of potatoes which the market would not take, which the consumer would not eat. There are now on hand hundreds of millions of bushels of wheat, of low-milling quality, because we have encouraged the production of that grade of wheat.

There is also a large quantity of cotton on hand, a good deal of it of such quality that the buyers do not dare to buy cotton far into the future for fear that some low-grade material will be delivered to them. The effect has been to lower the price not only in the United States, but to hurt the situation in the foreign market for cotton.

As I have said, Mr. President, I believe there are 180,000 small farmers who, under the present law, as it has been applied in the different States, will be unable to plant even 4 acres of cotton on each farm. I am sorry to say that some States apparently allocated their cotton acreage without regard to bringing the small farmers up to the 4-acre minimum, and now they find themselves short of acreage for the current crop. They have come to Congress to ask for the allotment of a sufficient number of acres to bring the small farms up to the acreage which they should have been given in the first place.

Mr. President, I am sorry the situation is such, but we must realize that if this year a State concludes to proceed contrary to the regulations and the intent of Congress, and if then it can come back to Congress and say, "We want acres enough to take care of the situation as it should have been handled in the first place," and we grant that request, next year there will not be any reason for any State allocating the acreage as intended by the Congress.

The bill before the Senate would increase the cotton production of the country, not largely, but at the same time it would increase the yield the coming year somewhat.

If the market is not good, if we do not recover the foreign markets which our program has in effect, turned over to foreign countries, if the mills continue to convert synthetic fiber into cloth, then we are likely to have controls over the cotton crop for years to come.

We must recognize the situation as it is. I had hoped a fair bill could be worked out between the time of action by the committee and the passage of the bill by the Senate. I had hoped against hope, apparently, that that could be done. I have come to the conclusion that we are not going to get a fair bill, regardless of what amendments may be agreed to.

Therefore, Mr. President, I have decided to vote against all the amendments and against the bill.

Mr. HOLLAND. Mr. President, I hope that Senators who are now on the floor will pay attention to the one point I am going to make in concluding.

I thought the pending amendment was a bad one from every point of view before it had been amended, but it has now been amended, by vote of the Senate, under the sponsorship of the Senator from Arizona [Mr. HAYDEN], to include in it a provision which I think will be wholly intolerable to any Senator who represents a State in which cotton is produced on dry farms. I read the provision to which I refer:

Provided, That in the case of Arizona, the additional acreage allotted to the State shall be apportioned so as to provide each farm for which the 1955 cotton-acreage allotment has been established, as well as each farm which is eligible for a 1955 new farm allotment, a minimum allotment equal to 10 acres.

Mr. President, every Senator on the floor of the Senate who knows anything about cotton production knows that the reclaimed areas in the West produce 2, or even 3 bales to the acre. They know that a 10-acre minimum allotment means a license to produce about 30 bales of cotton as the minimum to be given under this provision, in 1 of our States.

Mr. President, those of us who represent thousands of small farmers from dry-land-farm States know that what we are working for is to build up to 4 acres or less the acreage of 182,847 farmers whose acreage is under 4 acres. We produce something like half a bale of cotton to the acre.

Mr. President, will it be said that the Senate gets into the field of relief legislation in such a way that it appears with 1 hand to grant relief to over 180,000 pitiably poor farmers who are hoping to get 4 acres, or near that, out of this very simple proposed legislation, whereas in another part of the Nation, by the very terms of the bill itself, we fix 10 acres as the minimum number of acres for farmers who are producing on reclaimed acreage, made available to them by Federal appropriation, acreage which produces in the neighborhood of 6 times the amount of cotton an acre? Such a proposal is so absurd that it seems to me it does not need to be stated other than in the few words I have mentioned it.

I hope the Senate will vote down the amendment, as amended, and will proceed to pass the committee bill.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Arizona.

Mr. HAYDEN. I think the Senator from Florida did not make clear that no farmer in my State who has been growing cotton can get any acreage, and that the amendment would apply only to new land which is now being brought under cultivation.

Under the circumstances, I say that veterans and others who have taken up the new land, and have been put to the expense of clearing it, ought to be able to raise cash crops. Cotton is the only crop they will be able to grow. Those farmers cannot grow wheat, barley, or vegetables,

because there are no nutrients or nitrogen in the soil; but cotton can be grown on that land. When a person has made a heavy investment in the land, any action taken that will enable him to make a profit on 10 acres will do him more good than will any other aid.

Mr. HOLLAND. Mr. President, I appreciate the comment the distinguished Senator from Arizona has made. However, if he will reread his amendment to the Stennis amendment, I think he will find that it applies not only to new farms, but also to all farms that are entitled to acreage allotments.

I read again from the amendment:

Provided, That in the case of Arizona, the additional acreage allotted to the State shall be apportioned so as to permit each farm for which a 1955 cotton acreage allotment has been established, as well as each farm which is eligible for a 1955 new farm allotment, a minimum allotment equal to 10 acres.

I do not see how it could be more clearly stated.

Mr. HAYDEN. It is perfectly clear to me that there are not more than 305 new farms in Arizona. In order to comply with the law, Arizona was given a minimum allotment. That is all there is to it.

Mr. HOLLAND. But the Senator from Arizona is not arguing, is he, that he does not propose to have a minimum allotment of 10 acres of reclaimed land set up for the number of farms he mentioned, or whatever other number is covered by the cottongrower group in his State?

Mr. HAYDEN. There are 305 new cotton farms in Arizona since 1954, and that is all the provision could apply to.

As the bill was passed by the House, under the allotment provided, 236 acres could be applied to 4-acre farms. To that extent, if a farmer in Arizona had a 4-acre farm, he could get 10 acres.

Mr. STENNIS. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. STENNIS. The Senator from Florida agrees, does he not, that the so-called 4-acre amendment will not increase the acreage allowed to Arizona; its allotment will continue to be the same. Is not that correct?

Mr. HOLLAND. I agree that the acreage provided for by the so-called Stennis amendment, which calls for 1½ percent, will not be increased by the Hayden amendment; but the amount of acreage going to Arizona will be materially increased by the Stennis amendment.

Furthermore, the Stennis amendment provides for a situation under which each of the 4,458 small growers in Florida who need some acreage if they are even to approach the 4-acre figure, would receive less than one-eighth of an acre each, as compared to a little more than 1 acre each which they would receive under the committee amendment. Mr. President, we are talking about pitifully poor people; and it makes a great deal of difference to them whether they receive one-eighth of an acre less, instead of a full acre, as an addition to their poor plant.

Mr. STENNIS. But in the case of Arizona, only 4,000 acres are involved under the proposed amendment for Arizona; and the Hayden amendment will not increase that acreage, but merely will permit Arizona to use the acreage in any way it sees fit. Is not that correct?

Mr. HOLLAND. I understand that under the so-called Stennis amendment, on the basis of 1½ percent, the Arizona increased allocation would be 4,500 acres, whereas under the other amendment, namely, the committee amendment, I understand that the figure for Arizona would be much less than that.

Mr. STENNIS. That is true.

Mr. HOLLAND. In fact, it would be 134.5 acres. So the Stennis amendment does very greatly and very liberally increase the acreage for the State of Arizona, which, in turn, by means of the so-called Hayden amendment, would proceed to fix a minimum allotment of 10 acres per farm in the State of Arizona.

Mr. President, I hope the amendment will be rejected.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Is not the pending question on agreeing to the Stennis amendment? Will the vote be taken on the Stennis amendment, as modified by the Hayden amendment?

The PRESIDING OFFICER. The Senator from Texas is correct.

Mr. THURMOND. Mr. President, I shall occupy only about 3 minutes. The pending cotton acreage allotment bill is of great concern to the small cotton farmer.

The committee bill was considered by the Committee on Agriculture and Forestry, composed of both Democrats and Republicans, and was reported unanimously, with one exception—I believe the senior Senator from New Mexico [Mr. ANDERSON].

The bill would give the small farmer 4 acres, or a minimum of 75 percent of the past 3 years' allotments of cotton acreage.

A great many small cotton farmers are going to hold on to their farms, which they have rented, regardless of how much their acreage is cut, or regardless of the size of the allotment they have. They are a part of those farms. They have been born and raised in their respective communities. I hope the Senate will vote to help the small farmers.

I know of no man for whom I have a higher respect than I have for the distinguished junior Senator from Mississippi [Mr. STENNIS]. However, the Stennis amendment provides for a general increase of 1½ percent overall. I do not believe the administration or the Agriculture Department would favor such an amendment. Under the circumstances, I do not believe it is a wise amendment.

The purpose of the bill, as I apprehend it, is not to provide a general increase in cotton allotments, but to alleviate the suffering of the small farmers who are living on farms of four acres or less.

I hope the Senate will approve the committee amendment and reject the Stennis amendment, and thus help the small farmers of the United States.

Mr. ANDERSON. Mr. President, I have no intention of detaining the Senate, except to say that cotton legislation, if it is to last, must be framed on a basis of fairness. This is not a fair bill, when it cuts out entirely the great State of California, the State of Arizona, and the State of New Mexico; when it cuts Texas far below its requirements, and when it chops at Oklahoma and Arkansas, although the State committee in Arkansas did a good job.

I believe that cotton legislation will serve its purpose only when it is based upon a decent consideration. That is why I shall support the Stennis amendment. I think a good job has been done in considering this question. I think the committee worked pretty hard, but we are now in a situation in which I think the Stennis amendment should be adopted, if cotton legislation is to stand where it should stand. I intend to vote for the Stennis amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended, offered by the Senator from Mississippi [Mr. STENNIS], for himself and other Senators to the committee amendment as modified, beginning on page 3, line 10.

On this question, the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Massachusetts [Mr. KENNEDY] is absent by leave of the Senate because of illness.

I further announce that on this vote the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Massachusetts would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is detained on official business, and, if present and voting, he would vote "nay."

The result was announced—yeas 51, nays 39, as follows:

YEAS—51

Anderson	Case, N. J.	Goldwater
Barrett	Case, S. Dak.	Hayden
Beall	Cotton	Hennings
Bender	Curtis	Hickenlooper
Bible	Daniel	Hruska
Bricker	Dirksen	Jackson
Bridges	Duff	Jenner
Butler	Frear	Johnson, Tex.
Capehart	Fulbright	Kerr

Knowland	McClellan	Smith, Maine
Kuchel	Millikin	Smith, N. J.
Lehman	Monroney	Stennis
Magnuson	Morse	Symington
Malone	Neely	Thye
Martin, Iowa	Payne	Watkins
Martin, Pa.	Purtell	Welker
McCarthy	Saltonstall	Wiley

NAYS—39

Aiken	George	Mundt
Allott	Gore	Neuberger
Barkley	Green	O'Mahoney
Bennett	Hill	Pastore
Bush	Holland	Potter
Byrd	Humphrey	Robertson
Carlson	Ives	Schoeppel
Clements	Johnston, S. C.	Scott
Douglas	Kefauver	Smathers
Dworshak	Langer	Sparkman
Eastland	Long	Thurmond
Ellender	Mansfield	Young
Ervin	McNamara	Williams

NOT VOTING—6

Chavez	Kennedy	Murray
Flanders	Kilgore	Russell

So the Stennis amendment to the committee amendment, as amended, was agreed to.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The Senator will state it.

Mr. JOHNSON of Texas. Am I correct in understanding that the question now is on agreeing to committee amendment as amended?

The PRESIDING OFFICER. The Senator is correct.

SEVERAL SENATORS. Vote! Vote!

Mr. CASE of South Dakota. Mr. President, on behalf of myself and the Senator from North Dakota [Mr. YOUNG] I offer an amendment which I desire to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the appropriate place in the bill, it is proposed to insert a new paragraph, as follows:

(o) Notwithstanding any other provision of law the 1955 wheat acreage allotment established for each State pursuant to the provisions of this section (excluding those States which received a minimum allotment under subsection (k)) shall be increased by 1½ percent. The additional acreage made available to the States under the provisions of this subsection shall be used to increase each farm allotment to the smaller of (A) 30 acres, or (B) 75 percent of the highest number of acres planted to wheat on the farm in 1952, 1953, or 1954. If the additional acreage is insufficient to meet the total of the farm increases so computed, such farm increases shall be reduced pro rata to the additional acreage available to the State. If the additional acreage available to the State is in excess of the total of the farm increases so computed, the acreage remaining after making such farm increases shall be added to the State acreage reserve under subsection (e) of this section to be used by the State committee for any of the purposes specified therein.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield for a parliamentary inquiry?

Mr. CASE of South Dakota. I yield.

Mr. KNOWLAND. Mr. President, I have no desire to interfere with the distinguished Senator from South Dakota in making his presentation of the amendment, but my parliamentary inquiry is—and I make it because I have had some requests for information—would it be possible now to have an understanding that the yeas and nays are ordered on the final passage of the bill itself, without foreclosing amendments being offered such as the amendment now offered by the Senator from South Dakota, so that we can have that point definitely established?

The PRESIDING OFFICER. Any Member of the Senate has the right to ask for the yeas and nays on the final passage of the bill.

Mr. KNOWLAND. And that would not foreclose the Senator from South Dakota in presenting his amendment?

Mr. CASE of South Dakota. Or in asking for the yeas and nays on my amendment.

Mr. KNOWLAND. Or in asking for the yeas and nays on the Senator's amendment.

The PRESIDING OFFICER. That is correct.

Mr. KNOWLAND. Mr. President, I ask that the yeas and nays be ordered on the final passage of the bill.

The yeas and nays were ordered.

Mr. CASE of South Dakota. Mr. President, I ask for the yeas and nays on the amendment which I have offered.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. CASE of South Dakota. Mr. President, will the Chair count again?

The PRESIDING OFFICER. The Senator from South Dakota has offered an amendment and is requesting the yeas and nays on his amendment. Let there be a show of hands as to the sufficiency of a second. [After a pause.] There is a sufficient second, and the yeas and nays are ordered.

Mr. THURMOND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from South Carolina for a parliamentary inquiry?

Mr. CASE of South Dakota. I yield, if I shall not thereby lose my right to the floor.

Mr. THURMOND. Mr. President, is the amendment offered by the Senator from South Dakota germane to the bill?

The PRESIDING OFFICER. The Chair will state that the rule of germaneness does not apply to this particular type of legislation.

Mr. CASE of South Dakota. Mr. President, I do not think it will take me more than 2 minutes to state the proposition, and then we can immediately vote on my amendment.

My amendment simply proposes to do for the wheat farmer what it has already been indicated will be done for the cotton farmer; namely, to take care of the small wheat farmer. It covers a minimum of 30 acres, or 75 percent of the wheat production of the farm, or a 1½-percent increase in the State allotment.

Mr. President, a great many young farmers who came back from Korea found that under the acreage cut, which has ranged up to 30 percent in some counties, they simply did not have enough free acres last year to yield them sufficient income to pay the interest on the loans they had made. Thirty acres in wheat is comparable to 4 acres in cotton. What is good for the small marginal producer of cotton ought to be good and fair for the small marginal producer of wheat.

Therefore, Mr. President, I ask for a favorable vote on my amendment.

Mr. ELLENDER. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. ELLENDER. As I understand, the distinguished Senator from South Dakota has used the same language in his amendment as that written into the Stennis amendment, except that he has stricken out the word "cotton" and placed in lieu thereof "wheat" and he has also modified the acreage provision of the Stennis amendment.

Mr. CASE of South Dakota. Exactly. I took a copy of the Stennis amendment and wrote my amendment from it.

Mr. ELLENDER. What is the size of the farms to which the Senator's amendment will be applicable?

Mr. CASE of South Dakota. I used 30 acres, in consultation with the Senator from North Dakota [Mr. YOUNG], and we thought that would be comparable to 4 acres in cotton. The language is the same with the exception of substituting "wheat" for "cotton" and 30 acres in place of 4 acres.

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. AIKEN. Can the Senator estimate the number of acres that would be added to the amount already allocated?

Mr. CASE of South Dakota. I have not had an opportunity to make the computation, but 1½ percent could not amount to very much.

Mr. AIKEN. The Senator realizes, does he not, that the acreage allocated to wheat would be 55 million acres in any case.

Mr. CASE of South Dakota. But that is on a State basis. It may not work out that way.

Mr. AIKEN. Would the amendment have the result of taking acreage away from large farms and giving it to small farms?

Mr. CASE of South Dakota. That would be governed by the language in the Stennis amendment.

Mr. ELLENDER. The 1½ percent is over and above the present wheat allotment, to each State; is it not?

Mr. CASE of South Dakota. Yes.

Mr. President, if there are no further questions, I ask for a vote.

Mr. YOUNG. Mr. President, I rise to support the amendment offered by the Senator from South Dakota. I was perfectly willing to go along with the cotton amendment so long as it provided acreage for people who had an earned base. The committee bill applies to farmers who have less than 4 acres. That is a social problem. They needed help badly. But when we amend the bill as it has now been amended I am sure the Department of Agriculture will disapprove it, and it will be vetoed. I do not see how we can go to the extent of providing additional acres to cotton farmers who

have not earned them, and then expect the wheat farmers to go without any additional acres. We have many real hardship cases among wheat farmers. The Senator from South Dakota has pointed out that World War veterans are in bad shape.

If we are going to give help to the larger cotton farmers, I do not see how we can disapprove of giving a little help to relieve the real hardship cases among wheat farmers.

Mr. DWORSHAK. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. DWORSHAK. What effect would this amendment have on the acreage allotment for hard wheat?

Mr. YOUNG. It would add 1½ percent to the national allotment. There are thousands of hardship cases. It would help farmers who produce 30 acres or less. A farmer who produces 30 acres or less is indeed a small farmer.

Mr. LANGER. Mr. President, will my colleague yield?

Mr. YOUNG. I yield.

Mr. LANGER. There are instances in which a man has a quarter section of land and at the present time can seed only 32 acres.

Mr. CASE of South Dakota. I know of some farmers who have 2,200 acres and seed only approximately 24 acres.

Mr. YOUNG. The South where cotton is produced has 90 percent of parity supports for rice, peanuts, tobacco, cotton, and naval stores—resin and turpentine. The Republican farming area of this Nation—the Midwest and Northwest—has not one crop which is afforded 90 percent supports under the Benson plan.

Mr. ELLENDER. Mr. President, I shall vote against the pending amendment. Should the amendment prevail it is my intention to vote against the bill on final passage.

As I stated in my opening remarks, the bill should be limited to cotton acreage allotments as they affect small farmers. We need no increase in wheat or cotton production and the only justification for any Senator supporting the bill as modified by the committee is to alleviate the plight of over 160,000 small farmers scattered all over the cotton area of our country, particularly the South.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota to the committee amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Massachusetts [Mr. KENNEDY] is absent by leave of the Senate because of illness.

I announce further that on this vote the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from New Mexico would vote "Yea" and the Senator from Massachusetts would vote "Nay."

I also announce that on this vote the Senator from Oregon [Mr. NEUBERGER], if present and voting, would vote "Yea."

The result was announced—yeas 47, nays 43, as follows:

YEAS—47

Allott	Hennings	Monroney
Anderson	Hruska	Morse
Barrett	Humphrey	Mundt
Bender	Jackson	Neely
Bible	Jenner	O'Mahoney
Bricker	Johnson, Tex.	Saltonstall
Capehart	Kerr	Scott
Carlson	Langer	Sparkman
Case, S. Dak.	Lehman	Stennis
Curtis	Magnuson	Symington
Daniel	Mansfield	Thurmond
Douglas	Martin, Pa.	Thye
Dworshak	McCarthy	Welker
Eastland	McClellan	Wiley
George	McNamara	Young
Hayden	Millikin	

NAYS—43

Aiken	Flanders	Malone
Barkley	Frear	Martin, Iowa
Beall	Fulbright	Pastore
Bennett	Goldwater	Payne
Bridges	Gore	Potter
Bush	Green	Purtell
Butler	Hickenlooper	Robertson
Byrd	Hill	Schoeppel
Case, N. J.	Holland	Smathers
Clements	Ives	Smith, Maine
Cotton	Johnston, S. C.	Smith, N. J.
Dirksen	Kefauver	Watkins
Duff	Knowland	Williams
Ellender	Kuchel	
Ervin	Long	

NOT VOTING—6

Chavez	Kilgore	Neuberger
Kennedy	Murray	Russell

So the amendment offered by Mr. CASE of South Dakota for himself and Mr. YOUNG to the committee amendment, as amended, was agreed to.

Mr. CASE of South Dakota. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. YOUNG. I move to lay on the table the motion of the Senator from South Dakota.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota to lay on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 691) to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of Plancor No. 877, at Baytown, Tex., and certain tank cars.

DEATH OF HON. PAUL V. McNUTT

Mr. CAPEHART. Mr. President, it it my sad duty to inform the Senate of the death of one of the outstanding citizens of Indiana, former Gov. Paul V. McNutt.

Since his retirement from a long and distinguished career of public service, Mr. McNutt had been a practicing attorney with a clientele which took him to many parts of the world.

It was on one of his frequent trips in connection with his law practice that Mr. McNutt was stricken only a few days ago. He was rushed back to New York where his condition improved for a time but became much worse in the last few days.

Mr. President, Paul V. McNutt was truly a distinguished Hoosier. He was a distinguished lawyer, educator, soldier, political leader, and public administrator.

He served as professor and dean of the Indiana University Law School. He was Indiana State and national commander of the American Legion. He served with distinction as Indiana's Governor, Federal War Manpower Commissioner, Federal Security Administrator, High Commissioner to the Philippine Islands, and in many wartime emergency posts to which his Government called him.

Indiana is proud to have been the birthplace of Paul V. McNutt. I am sure that many Members of the Senate knew Paul McNutt, as I did, and that they join with me in expressing to Mrs. McNutt and their daughter our sorrow at his passing.

Mr. JENNER. Mr. President, I have just learned of the passing of former Governor of Indiana, Paul McNutt. Paul McNutt was a distinguished son of Indiana, and with the people of Indiana I mourn the death of one of our ablest citizens.

Paul McNutt was a man of the highest intellect, a man of character and patriotism, who lent his talents to the public service in many fields. It was typical of his American enterprise that he achieved distinction as dean of the school of law of Indiana University, as Governor, as High Commissioner to the Philippines, in war service in the Federal Government, and in the private practice of law. Throughout his life he worked with many private agencies in education, the law, and public welfare.

PAY INCREASE FOR FEDERAL GOVERNMENT EMPLOYEES

Mr. CAPEHART. Mr. President, I rise to express my own concern, and that of many thousands of Federal employees who have written to me, about the urgency of providing a realistic pay increase for the men and women who so faithfully serve our Government.

I believe there can be no effective argument against the proposition that these fine citizens—postal workers, civil-service employees generally, and other Government workers—have a long overdue increase coming to them to keep their incomes in line with the cost of living.

President Eisenhower has recognized the necessity of such an increase. Postmaster General Summerfield likewise has recommended that the pay schedules of postal workers be readjusted upward. I know of nobody in the administration who disputes the fact that the Government owes a pay raise to its workers.

Committees of both the Senate and the House of Representatives have recognized the need. I was impressed, for instance, with the statement in the report of our own Senate Committee on Post Office and Civil Service that "the need for proper salary adjustments in the postal service is a desperate need—one which calls for immediate action."

The only question which remains, then, and the only disagreement which exists is just how best and most equitably to provide such an increase.

That is a task at which both the Senate and House of Representatives committees are hard at work. I am certain they will arrive at an agreement which will be acceptable to both Houses of the Congress. Certainly, I hope so.

There are basic disagreements among the various groups of Government employees themselves on the best and most equitable method of providing an increase.

But I am sure that these Government employees themselves want to be fair about the matter. That is the impression I have gained from the hundreds with whom I have discussed the problem. They are fine, intelligent people and they want only what is coming to them.

So, Mr. President, I hope that we in the Congress will measure up to our responsibility in this matter and reach agreement quickly so that this long overdue pay adjustment does not get bogged down and thus be lost to the hundreds of thousands who so richly deserve it.

ADDITIONAL 1955 COTTON ALLOTMENT

The Senate resumed the consideration of the bill (H. R. 3952) to amend the cotton marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment, as amended. The yeas and nays have been ordered.

The Chair was in error in stating that the yeas and nays have been ordered on the amendment; they were ordered on the final passage of the bill.

Mr. KNOWLAND. Mr. President, I was about to make a parliamentary inquiry in that regard. My understanding was that the yeas and nays have been ordered on the final passage of the bill.

The PRESIDING OFICER. The Senator from California is correct.

Mr. AIKEN. Mr. President, I should like to say that our Government at present has about $8½ billion invested in surplus commodities. By next winter the amount will rise to about $10 billion. If the pending bill passes, it looks now as if the administration and the Department of Agriculture will have to ask Congress to raise the borrowing authority of the Commodity Credit Corporation to possibly $15 billion. In the meantime every billion dollars worth of commodities that piles up depresses the market at home and abroad.

The pending bill is a cotton bill. The foreign cotton market has been depressed now for some time, simply because foreign countries do not know what the United States is going to do with surplus cotton, much of it of low quality.

Markets both at home and abroad feel the effect of excessive surpluses. I do not mean reasonable surpluses; I mean excessive surpluses. The last word I have received is that up to now, as I have said, the Government has about $8½ billion invested in commodities.

I agree that if Congress is going to permit a considerable expansion of cotton acreage in violation of the intent of Congress, we should also permit an increase in wheat acreage. We must be prepared to meet conditions which are bound to arise if the pending bill is enacted into law.

I assume the senior Senator from Virginia [Mr. BYRD] is ready to raise the debt limit substantially. I hear no affirmative answer from him, Mr. President; I assume he is. But I think we ought to know where we are going.

I hope the bill will be defeated.

Mr. YOUNG. Mr. President, I could not let the statement made by my friend, the Senator from Vermont, go unchallenged. The Agriculture Department does not have surplus agricultural commodities amounting to $8 billion. All the holdings of the Commodity Credit Corporation plus all of the loans they have made on commodities would not reach that amount. I do not believe most of these loans are bad loans——

Mr. JOHNSON of Texas. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senator suspend until the Senate is in order? Let there be order. Those wishing to converse will please retire from the Chamber.

Mr. YOUNG. Mr. President, wheat is probably in the worst surplus situation of the major crops, but as late as 1952 the Federal Government asked the farmers to increase wheat production. There was a carryover that year of only 250 million bushels.

Last year, at the request of the Government, wheat farmers, by an overwhelming majority, voted to accept a 22½-percent cut in their acreage. As a result of the reduction in acreage, wheat production this year just about held even with the sales and the use of wheat in this country together with exports. To be exact, I think the carryover this year was increased by about 59 million bushels.

This year, 1955, farmers are taking another reduction in wheat acreage, which will mean, even if crop conditions are good, that they will produce far less wheat than we can expect to use in the United States and export. Wheat farmers are taking a terrific licking. The income of the farmers of this Nation has declined 22 percent since February 1951.

The pending bill would give relief to only a very small percentage of the small farmers of the United States. Under the cotton bill, as it would be finally amended, the total increased acreage which would be allotted would not be very much. I was hoping the Senate would sustain the committee action, which would add only about 170,000 acres. It would not help a single farmer who had more than 4 acres of cotton, other than a small allotment for Nevada and Illinois. Since the bill was changed to help the larger cotton farmers, certainly no Senator representing a wheat State could stand idly by and not make some attempt to help the wheat farmers of his State, many of whom are veterans.

The total cost to the Government would be very small indeed—maybe less than the cost to political subdivisions if these small farmers are forced off the land and into the cities.

Mr. ANDERSON. Mr. President, I do not intend to take the time of the Senate except to say there is a great deal of solemn truth in what the Senator from North Dakota has said. This bill would add a small amount of cotton acreage, but if that amount of good could be done for the farmers I think some of the cotton might start to flow to the old markets which had been the markets of the American cotton farmer.

Mr. AIKEN. Mr. President, I agree there is considerable truth in what the Senator from North Dakota [Mr. YOUNG] has said. The wheat farmer is in bad shape today. The shape he is in could be stated in 30 seconds, but it would be very hard to say how to get him out of it. When the books are checked, it will be found that my estimate that there is approximately $8½ billion invested in surplus crops is correct.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is on the final passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Massachusetts [Mr. KENNEDY] is absent by leave of the Senate because of illness.

I announce further that on this vote the Senator from New Mexico [Mr.

CHAVEZ] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Massachusets would vote "nay."

I also announce that on this vote the Senator from Oregon [Mr. NEUBERGER], if present and voting, would vote "yea."

The result was announced—yeas 39, nays 51, as follows:

YEAS—39

Anderson	Hennings	McCarthy
Barkley	Hill	McClellan
Bible	Humphrey	Monroney
Carlson	Jackson	Morse
Case, S. Dak.	Johnson, Tex.	Mundt
Clements	Johnston, S. C.	Neely
Daniel	Kerr	O'Mahoney
Douglas	Langer	Sparkman
Eastland	Lehman	Stennis
Fulbright	Long	Symington
George	Magnuson	Thurmond
Goldwater	Malone	Thye
Hayden	Mansfield	Young

NAYS—51

Aiken	Dworshak	McNamara
Allott	Ellender	Millikin
Barrett	Ervin	Pastore
Beall	Flanders	Payne
Bender	Frear	Potter
Bennett	Gore	Purtell
Bricker	Green	Robertson
Bridges	Hickenlooper	Saltonstall
Bush	Holland	Schoeppel
Butler	Hruska	Scott
Byrd	Ives	Smathers
Capehart	Jenner	Smith, Maine
Case, N. J.	Kefauver	Smith, N. J.
Cotton	Knowland	Watkins
Curtis	Kuchel	Welker
Dirksen	Martin, Iowa	Wiley
Duff	Martin, Pa.	Williams

NOT VOTING—6

Chavez	Kilgore	Neuberger
Kennedy	Murray	Russell

So the bill (H. R. 3952) was not passed.

Mr. AIKEN. Mr. President, I move that the Senate reconsider the vote by which the bill failed to pass.

Mr. HOLLAND. Mr. President, I move to lay on the table the motion to reconsider.

Mr. KNOWLAND. Mr. President, I also move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

INCREASE IN RATES OF COMPENSATION FOR EMPLOYEES IN THE FIELD SERVICE, POST OFFICE DEPARTMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1, Calendar 44, the so-called postal pay bill.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 1) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1), which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause, and insert:

That (a) except as provided in subsection (b), the rates of basic compensation, other than rates referred to in section 2 of this act, of postmasters, officers, and employees in the postal service whose rates of compensation are prescribed by the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945, as amended, are hereby increased by 10 percent or $400 per annum, whichever is the greater.

(b) Each of the rates increased by subsection (a) shall then be adjusted to the nearest multiple of $100, but in any case in which adjustment to the nearest multiple of $100 would result in an increase under this section of less than $400, such adjustment shall be to the next higher multiple of $100.

SEC. 2. (a) The rates of fixed compensation per annum of carriers in the rural delivery service are hereby increased by $430 per annum.

(b) Section 8 (a) of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945, as amended, is amended by striking out the table relating to post offices of the fourth class and inserting in lieu thereof the following:

"Post offices of the 4th class

"Gross receipts	Grades and salaries of postmasters						
	1	2	3	4	5	6	7
$1,300 to $1,499.99	$2,870	$2,955	$3,040	$3,125	$3,210	$3,295	$3,380
$1,100 to $1,299.99	2,740	2,820	2,900	2,980	3,060	3,140	3,220
$1,000 to $1,099.99	2,560	2,635	2,710	2,785	2,860	2,935	3,010
$900 to $999.99	2,390	2,460	2,530	2,600	2,670	2,740	2,810
$800 to $899.99	2,240	2,305	2,370	2,435	2,500	2,565	2,630
$700 to $799.99	2,100	2,160	2,220	2,280	2,340	2,400	2,460
$600 to $699.99	1,930	1,985	2,040	2,095	2,150	2,205	2,260
$500 to $599.99	1,740	1,790	1,840	1,890	1,940	1,990	2,040
$450 to $499.99	1,580	1,625	1,670	1,715	1,760	1,805	1,850
$400 to $449.99	1,460	1,500	1,540	1,580	1,620	1,660	1,700
$350 to $399.99	1,340	1,375	1,410	1,445	1,480	1,515	1,550
$300 to $349.99	1,220	1,250	1,280	1,310	1,340	1,370	1,400
$250 to $299.99	1,070	1,095	1,120	1,145	1,170	1,195	1,220
$200 to $249.99	930	950	970	990	1,010	1,030	1,050
$150 to $199.99	750	765	780	795	810	825	840
$100 to $149.99	570	580	590	600	610	620	630
Less than $100	350	355	360	365	370	375	380

"Each postmaster at an office of the fourth class shall be placed in grade 1 and shall be entitled to be advanced 1 grade for each year's satisfactory service performed subsequent to the effective date of this paragraph, as a postmaster in an office of the fourth class or as a postmaster or supervisor subject to the provisions of section 10, until he reaches grade 7. Such advancement shall take effect at the beginning of the first quarter following the completion of the year's service upon which it is based except that if it is based entirely upon prior service, it shall take effect upon the date of commencement of the most recent period of service as a postmaster at an office of the fourth class."

(c) The rates of basic compensation of employees of the postal service paid on an hourly or part-time basis are hereby increased by 20 cents per hour.

SEC. 3. Such act of July 6, 1945, as amended, is amended by inserting after section 9 a new section as follows:

"SEC. 10. (a) Each postmaster (other than a postmaster at an office of the fourth class), and each supervisor whose compensation is fixed in accordance with section 8 (a), 9, 13 (a), 14 (a), 15 (a), 16 (a), 18 (a), or 19 (b) of this act, shall be entitled to receive additional basic compensation at the rate of $100 per annum for each year's satisfactory service, whether continuous or intermittent, performed subsequent to the effective date of this section as such a postmaster or supervisor or as a postmaster at an office of the fourth class.

"(b) Additional basic compensation under this section shall become payable at the beginning of the first quarter following the completion of the year's service upon which it is based. In determining length of service for the purposes of this section, all service, whether continuous or intermittent, in a position the compensation for which is fixed pursuant to any of the provisions referred to in subsection (a) shall be included. No postmaster or supervisor shall receive more than six increases in basic compensation under this section."

SEC. 4. This act shall not apply to skilled-trades employees of the mail-equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis.

SEC. 5. (a) In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized and directed to grant, as of the effective date of this act, additional compensation to postal employees of the Canal Zone Government, based on the additional compensation granted by this act to similar employees in the field service of the Post Office Department of the United States.

(b) This act shall have the same force and effect within Guam as within other possessions of the United States.

SEC. 6. Notwithstanding any other provision of this act, no rate of compensation which is $14,800 or more per annum shall be increased by this act or pursuant to any amendment made by this act, and no rate of compensation shall be increased by this act or pursuant to any such amendment to an amount in excess of $14,800 per annum.

SEC. 7. (a) This act shall become effective as of the first day of the first pay period which began after December 31, 1954.

(b) Retroactive compensation or salary shall be paid under this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive compensation or salary shall be paid a retired postmaster, officer, or employee for services rendered during the period beginning on the first day of the first pay period which began after December 31, 1954, and ending with the date of his retirement, or in accordance with the provisions of the act of August 3, 1950, for services rendered by a deceased postmaster, officer, or employee during the period beginning on the first day of the first pay period which began after December

31, 1954, and ending with the date of his death.

(c) In the case of any postmaster, officer, or employee who entered the field service of the Post Office Department after the first day of the first pay period which began after December 31, 1954, and prior to, or on, the date of enactment of this act, the term "effective date," as used in this act, means the day of entry of such postmaster, officer, or employee into the field service.

Mr. JOHNSTON of South Carolina obtained the floor.

Mr. MALONE. Mr. President, will the Senator from South Carolina yield to me?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Nevada.

POSTAL PAY RAISE LONG OVERDUE EQUAL INFLATION

Mr. MALONE. Mr. President, the proposed pay raise for the carriers, clerks, postal transport, and motor vehicle employees is long overdue. The ultimate effect of the deliberate inflation over two decades has finally caught up with the Congress. The chickens have come home to roost, as a result of unbalanced budgets and cheapening money.

TWO WAYS TO REDUCE WAGES

There are two ways to reduce wages. One long recognized way was simply to reduce the pay. The more subtle method, which has become customary over two decades, is to cheapen the value of money, resulting in higher prices.

The subtle method of inflation has cast less immediate blame on Congress and has always put the postal workers behind, and they never catch up. The increase proposed by the pending legislation is long overdue.

ANALYSIS OF HOUSE BILL 4644

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing an analysis of House bill 4644.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Analysis of H. R. 4644

Classification	Proposed level	Number of employees	Present salary	Proposed salary	Ultimate dollar increase	Ultimate percentage increase	Immediate dollar increase	Immediate percentage increase	Years to reach top grade	Amount of yearly step increases
1. Janitor	1	3,202	$2,870- $3,270	$2,870- $3,470	$200	6.1	$200	6.1		
2. Elevator operator	2	1,166	2,970- 3,370	3,080- 3,710	340	10.0	235	6.9	1	$105
3. Order filler	2	212	2,950- 3,430	3,080- 3,710	280	8.1	280	8.1		
4. Clerks, 3d-class post office	2	19,651	2,770- 3,070	3,080- 3,710	640	20.8	220	6.4	4	105
5. Guard	3	650	3,170- 3,570	3,330- 3,990	420	11.7	310	8.6	1	110
6. File clerk	3	1,250	3,270- 4,070	3,330- 3,990	−80	−10.9				
7. Typist	3	125	3,270- 4,070	3,330- 3,990	−80	−10.9				
8. Mail handler	3	25,712	3,170- 3,470	3,330- 3,990	520	15.0	300	8.6	2	110
9. Garageman	3	624	3,170- 3,470	3,330- 3,990	520	15.0	300	8.6	2	110
10. Special-delivery messengers	4	4,533	3,170- 3,770	3,590- 4,280	510	13.5	280	7.3	2	115
11. Motor vehicle operator	5	4,160	3,270- 4,070	3,640- 4,360	290	7.1	290	7.1		
12. City carriers	5	121,731	3,270- 4,070	3,640- 4,360	290	7.1	290	7.1		
13. Distribution clerk	5	113,890	3,270- 4,070	3,640- 4,360	290	7.1	290	7.1		
14. Window clerks	5	64,750	3,270- 4,070	3,640- 4,360	290	7.1	290	7.1		
15. Automotive mechanics	6	1,192	3,270- 4,070	3,880- 4,630	560	13.7	310	7.8	2	125
16. Transfer clerk	6	1,459	3,470- 4,270	3,880- 4,630	360	8.4	360	8.4		
17. Distribution clerk, railway post office	6	17,107	3,470- 4,270	3,880- 4,630	360	8.4	360	8.4		
18. Claims clerk, post office	6	54	3,270- 4,070	3,880- 4,630	560	13.7	260	6.3	5	125
19. Postmaster, small, third-class office	6	162	2,883- 3,645	3,880- 4,630	985	27.7	235	6.3	6	125
20. Claims clerk	7	105	3,470- 4,070	4,190- 5,030	960	23.5	260	6.3	5	140
21. Postmaster, third-class post office	7	8,005	2,883- 4,298	4,190- 5,030	732	16.9	452	10.5	2	140
22. Foreman, mails	8	564	4,787- 4,896	4,530- 5,460	564	11.5	409	8.3	1	155
23. Postmaster, third-class post office	8	1,162	3,781- 4,298	4,530- 5,460	1,162	27.0	387	9.0	5	155
24. General foreman, Railway Post Office	9	640	5,114- 5,270	4,890- 5,910	640	12.1	470	8.9	1	170
25. Assistant postmaster, first class	9	940	4,896- 4,970	4,890- 5,910	940	18.1	430	8.4	3	170
26. Postmaster, second-class post office	9	840	4,770- 5,070	4,890- 5,910	840	16.5	330	6.5	3	170
27. General foreman, mails	10	1,020	5,005- 5,370	5,280- 6,390	1,020	18.9	465	8.6	3	185
28. Postmaster, small first-class post office	10	2,639	5,370- 5,570	5,280- 6,390	820	14.7	450	8.0	2	185
29. Building superintendent	11	7	5,970- 6,270	5,800- 7,000	730	11.6	530	8.4	1	200
30. Postmaster, first-class post office	11	1,663	5,670- 6,170	5,800- 7,000	830	13.4	430	6.9	2	200
31. Tour superintendent	12	175	5,270- 5,670	6,380- 7,700	2,030	35.8	710	12.5	6	220
32. Postmaster, 1st-class post office	12	865	6,370- 7,070	6,380- 7,700	630	8.9	630	8.9		
33. Postal inspector	13	385	5,970- 6,770	7,020- 8,460	1,690	24.9	490	7.2	6	240
34. Postmaster, 1st-class post office	13	122	6,570- 7,370	7,020- 8,460	1,090	14.7	610	8.2	2	240
35. Station superintendent	14	15	6,470	7,730- 9,290	2,820	43.5	1,260	19.4	6	260
36. Assistant postmaster, 1st-class post office	14	54	6,070	7,730- 9,290	3,220	53.0	1,660	27.3	6	260
37. Postmaster, 1st-class post office	14	120	7,370- 7,770	7,730- 9,290	1,520	19.5	480	6.18	4	260
38. Assistant postmaster, 1st-class post office	15	44	6,270- 6,870	8,500- 10,180	3,310	48.1	1,630	26.0	6	280
39. Postmaster, 1st-class post office	15	54	7,770- 8,770	8,500- 10,180	1,410	16.0	570	6.5	3	280
40. Assistant postmaster, 1st-class post office	16	15	7,070	9,350- 11,150	4,080	57.7	2,280	32.2	6	300
41. Postmaster, 1st-class post office	16	34	8,770- 9,770	9,350- 11,150	1,380	14.1	780	7.9	2	300
42. General superintendent, PTS Division	17	9	8,470	10,300- 12,220	3,750	44.3	1,830	21.6	6	320
43. Assistant postmaster	17	10	7,970- 8,470	10,300- 12,220	3,750	44.3	1,830	21.6	6	320
44. Postmaster, 1st-class post office	17	10	10,770	10,300- 12,220	1,450	13.5	810	7.5	2	320
45. General superintendent, PTS Division	18	3	8,470	11,400- 13,440	4,970	58.7	2,930	34.6	6	340
46. Assistant postmaster, largest 1st-class post office	18	2	8,470	11,400- 13,440	4,970	58.7	2,930	34.6	6	340
47. Postmaster, 1st-class post office	18	15	11,770	11,400- 13,440	1,670	14.2	990	8.5	2	340
48. Postmaster, 1st-class post office	19	10	12,770- 13,770	12,500- 14,660	890	6.5	890	6.03		
49. Postmaster, largest 1st-class post office	20	2	13,770	13,600- 14,800	1,030	7.5	1,030	7.5		
50. Regional director	21	15	12,000- 12,800	14,800	2,000	15.6	2,000	15.6		

BREAKDOWN ON POSTAL PAY

Mr. MALONE. I also ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, a table which breaks down the 234,562 regular carriers, clerks, and postal transport employees in level 5, and the motor vehicle employees.

Of 234,562 regular carriers, clerks, and postal transport employees in level 5, and motor vehicle employees in level 5, 213,121 would receive increases of less than $300 under House bill 4644. 180,086 employees would receive increases of less than 7 percent.

The table shows the number of employees in each of the present pay grades in the classifications enumerated in this paragraph, the actual dollar amount they would receive and the percentage pay increase they would receive under House bill 4644.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Present grade	Number of employees	Dollar increase	Percent increase
1	1,492	$370	11.3
2	2,684	270	8.0
3	12,683	290	8.3
4	7,121	310	8.68
5	12,828	330	8.9
6	23,906	230	6.1
7	20,583	250	6.4
8	13,715	270	6.8
9	17,668	290	7.1
9A	39,517	290	6.9
9B	30,723	290	6.7
9C	51,642	290	6.6

RAISE OVERDUE AND SHOULD PASS

Mr. MALONE. Mr. President, the proposed 10 percent increase for postal workers at this time is little enough. The bill should pass.

Mr. JOHNSTON of South Carolina. Mr. President, I greatly appreciate this opportunity to discuss with Members of the Senate the bill (S. 1) which I, with 20 other Senators, introduced, and which was approved recently by the Committee on Post Office and Civil Service. I sincerely hope that we can give prompt and favorable consideration to this very important and long-overdue measure. Attesting to its significance are the number of Senators who joined in its sponsorship, and did so with such dispatch that it was the first bill introduced in the

Senate in the opening session of the 84th Congress.

Speaking of the amounts called for by S. 1, personally I think they are small enough. I want that understood in the beginning.

My colleagues on both sides of the aisle who were present here last year need not be reminded that the 83d Congress enacted pay legislation which many of us believed was long overdue even at that time. I did not find many Members of the House or of the Senate at that time who disagreed with the proposal that Federal employees should have had the increase then. When we know that employees of the Government should have their salaries increased. I have never believed that such increase should depend on some other proposal such as an increase in the first class mail rate from 3 cents to 4 cents.

My distinguished colleague, the junior Senator from Kansas [Mr. CARLSON], is to be commended upon his able leadership, understanding of the plight and problems of the rank-and-file postal worker, and his diligence in guiding the legislation to passage last year. The task he accomplished was neither easy nor pleasant, for that bill, like S. 1, the bill now being considered, did not embrace the administration's job reclassification plan. Time has proved that he was right in not bringing before the Senate and supporting the administration's quickly conceived and ill-advised reclassification plan, but chose instead to support a straight pay bill similar to S. 1, the bill we are now considering.

I do not doubt that after passage of the pay bill sponsored by the Senator from Kansas [Mr. CARLSON], the then chairman of the Post Office and Civil Service Committee, our postal workers believed with reasonable justification that an immediate increase in their pay was assured. Unfortunately, however, the increase voted by the 83d Congress were not enacted into law, and thus the hopes of these workers were dashed. It is to the everlasting credit of these good and faithful postal employees that their understandable disappointment was not reflected in the performance of their daily duties and service to the individuals, institutions, and businesses that make up this great Nation of ours.

S. 1, as amended, is based on many of the same factors which justified favorable congressional action last year. The economic plight of postal workers was brought out in the hearings then, and emphasized in even more vivid terms this year. An increase in the pay and a job reclassification plan for postal workers has been recommended by the administration, the Post Office Department, the Bureau of the Budget, and the Civil Service Commission. The committee heard a long list of witnesses, including officials of the several postal employee organizations, individual employees, and private citizens. On one thing there seems to be rather complete agreement, namely, that a pay raise is urgently needed and completely justified. As evidenced by the minority views, there is a difference of opinion: first, as to how the raises should be accomplished; and, second, with respect to the amount of the increases; and, finally, the cost involved. These are matters worthy of our most careful consideration. For that reason, I should like, first, to discuss briefly the bill as approved by the committee, and then these differences:

Section 1 (a) provides an increase of 10 percent, or $400, whichever is greater, to the main body of postal employees. That is to say, those employees who need it most would receive at least a $400 increase in their salaries. Employees whose pay is not raised in accordance with this general formula are provided for in an equitable manner under other sections of the bill.

Section 1 (b) provides for the adjustment of pay rates to the nearest multiple of $100, except that where the adjustment results in an increase of less than $400 it shall be made to the next higher multiple of $100.

Section 2 provides increases to the groups of employees not included under section 1. Under subsection (a) rural carriers are given flat increases of $430, to correspond with the average increase received by clerks and city carriers. Subsection (b) establishes a new table of rates of basic compensation of fourth-class postmasters. This table represents current rates plus 10 percent, adjusted to the nearest lower multiple of $10, with additional grades in each rate to provide 6 annual increases in even amounts per rate, ranging from $5 a year in the lowest to $85 a year in the highest grade in the schedule. Subsection (c) of section 2 gives hourly employees an increase of 20 cents an hour, an amount equivalent to a $400 annual increase.

Section 3 provides 6 annual increases of $100 each for postmasters in the first-, second-, and third-class offices, and for supervisors in every area of the postal service who do not now have such increases.

In order to keep the record straight, it should be noted that an inadvertent error occurs on page 11 of Report No. 41. This paragraph indicates that certain officers and supervisors in the postal service are excluded from the periodic step-increase provisions of S. 1. Every officer and supervisor enumerated in this paragraph as being excluded is, in fact, specifically included.

Other provisions of the bill establish a ceiling of $14,800 on salaries to conform to the limit under the Classification Act; set the effective date of the increases back to the beginning of the first pay period commencing in 1955; extend the increases to employees in the Canal Zone and Guam; and set forth how adjustments are to be made and the bill is to be administered.

Mr. President, as I stated earlier, there appears to be rather complete agreement that a pay raise for postal workers and other Federal employees is well deserved and amply justified. The differences of view in regard to postal raises are:

First. The major differences between S. 1 and S. 773 occur with respect to how the raises are to be applied. S. 773 contains the Department's highly publicized classification plan, which is held out as the cure to all ills existing in the postal service. Actually, it has created a serious employee morale problem, even though it has not even been enacted. The problem I refer to is the split right down the middle it has wrought between supervision, on the one hand, and the rank and file postal worker, on the other hand. I am confident the open warfare that has raged for well over a year has taken a toll running into untold millions of dollars because of the adverse effect on morale and efficiency. In my opinion, it is high time that the struggle be ended without loss of dignity to either side. That is possible through the prompt passage of S. 1, which is now before the Senate. Why is it possible? Because under S. 1, both sides win an honorable victory.

S. 1 accepts one of the basic elements of a sound classification system by establishing and extending periodic pay increases to postmasters and supervisors in all areas of the postal service. This establishes the foundation upon which to erect other improvements in the near future. Herein lies the victory for the proponents of job classification represented by the postmasters and the supervisors.

S. 1 provides for decent pay increases from top to bottom. Herein lies the victory for the rank-and-file worker. This is because under S. 1 the low-paid worker—the rank-and-file employee—the person who moves the mail from sender to recipient—gets a greater and fairer proportion of the total increase.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. NEELY. I inquire of the able Senator from South Carolina, who has long and faithfully worked on the problem, whether there has been any indication from the postal employees of a preference for S. 1 or the recommendations of the Postmaster General.

Mr. JOHNSTON of South Carolina. I would say that witnesses, representing 80 percent of the postal employees, who appeared before our committee opposed the Postmaster General's reclassification plan.

Mr. NEELY. Was not that fact established by testimony given by the heads of the organizations of letter carriers, post-office clerks and others?

Mr. JOHNSTON of South Carolina. That is true.

Mr. NEELY. In other words, for every 1 in favor of the Postmaster General's plan of reclassification, 4 postal employees are against it. Is that correct?

Mr. JOHNSTON of South Carolina. At least that many.

Mr. President, the second difference is in regard to the amount of the raises. S. 1 provides for an increase of 10 percent, or $400, whichever is greater. Contrasted with this is the so-called 6½ percent average increase provided in S. 773, the administration proposal. As we all know, figures can be misleading, particularly so when the word "average" creeps in. Use of the word "average" in connection with S. 773 reminds me of how the word "average" was used by an old and dear friend of mine to hide an

embarrassing condition existing in his school class. He would brag that the average intelligence of his class was above that of the other classes in the school, and he was right. But the whole town knew that his class consisted of just two children—one of whom was a dunce and the other of whom was a genius—yet, the average intelligence of his class was above average.

So, let us not be confused by the use of fancy terms in our consideration of S. 1 and S. 773. Rather, let us consider exactly what each bill does.

S. 1 provides for a general increase of 10 percent, or $400, whichever is greater. There is no ambiguity here nor is there doubt as to what employees will get in the way of a pay increase under S. 1.

Mr. NEELY. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from West Virginia.

Mr. NEELY. Will the Senator state for the record whether the increase provided by Senate bill 1 for the postal workers is greater or less percentagewise than the increase which Congress has recently voted for its Members and for the judiciary?

Mr. JOHNSTON of South Carolina. I did not mean to bring up that question, but since the Senator has raised it, of course, I must answer his question. Congress has voted itself an increase of 50 percent. The increase provided in S. 1 is 10 percent.

Mr. NEELY. Does the Senator believe that Congress can consistently vote for less than a 10-percent increase for postal workers, after having voted an increase of 50 percent for its own Members?

Mr. JOHNSTON of South Carolina. I did not vote for the 50-percent increase for myself, but I shall vote for the 10-percent increase in the salaries of postal workers.

Mr. NEELY. I did not vote for the 50-percent increase, but I certainly intend to vote for the 10-percent increase in the salaries of postal employees.

Mr. JOHNSTON of South Carolina. The Senator from West Virginia voted just as I did, and as I shall vote in this instance.

Mr. NEELY. The Senator can rest assured that I shall vote for the increase proposed by the pending bill.

Mr. JOHNSTON of South Carolina. Mr. President, let us see what S. 773 would do for the postal worker.

First. The 15 directors of the newly created regional office would get increases of from 15.6 percent to 23.3 percent, amounting to from $2,000 to $2,800 a year each. These are completely new jobs just created by the Postmaster General under somewhat doubtful legal authority, and the cost to the taxpayers is an additional $5 million.

Mr. PASTORE. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. PASTORE. With reference to the point the Senator has just raised, I read a very large headline in a newspaper yesterday which said that a bill which was recently voted upon in the House, I think H. R. 4644, provided an increase of 7.6 percent. That is the average increase, and it includes very large increases for those in the top brackets.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. PASTORE. I have before me an analysis of H. R. 4644. The general superintendent of the Transport Service Division has a present salary of $8,470 a year. The new salary would be from $11,400 to $13,440. That is an increase of 58.7 percent.

Mr. JOHNSTON of South Carolina. That was one of the groups helping to make up the 20 percent of the postal groups supporting the Postmaster General's plan.

Mr. PASTORE. The increase in this category is included in the 7.6 percent about which we are speaking generally.

Mr. JOHNSTON of South Carolina. That is true. That is the reason why I stressed the average increase a few moments ago.

Mr. PASTORE. What increase would a letter carrier receive under H. R. 4644? Would it be 7.6 percent, or lower than that amount?

Mr. JOHNSTON of South Carolina. My information is that it would be lower.

Mr. PASTORE. Therefore, it is a fact that the great majority of the employees of the Post Office Department, would not be given a 7.6 percent increase in salary. By and large, most of them would receive less than a 7.6 percent increase.

Mr. JOHNSTON of South Carolina. That is true.

Mr. PASTORE. But only because some others in the same department would get a 53 percent increase——

Mr. JOHNSTON of South Carolina. Of course, that greatly increases the average. If we provide peanuts for the rank and file who need an increase the most and gravy for the few at the top, the average increase is somewhat distorted.

Second. Excluding the 12 largest cities, 355 postmasters in the next largest offices will get immediate and eventual increases of from 13.4 to 27 percent, amounting to from $1,450 to $2,410 a year each.

Third. The assistant postmasters in the 125 largest first-class offices will get immediate and eventual increases of from 53 to 62.2 percent, amounting to from $3,220 to $4,970 a year, each. Mr. President, I repeat, if you please, under S. 773, 125 assistant postmasters will get immediate and eventual increases of from 53 to 62.2 percent amounting to, in some cases, $4,970 a year each.

Fourth. To go further, 199 superintendents will get immediate and eventual increases of from 43 to 44 percent, amounting to $2,430 to $3,750 a year each.

By this time it should be clear that if those at the top get increases of 30, 40, or 50 percent and higher, someone along the line will not get very much. And that, Mr. President, is exactly the case. The rank-and-file postal worker will get a pitiful small increase. So that there may be no misunderstanding, let me be specific. The some 65,000 window clerks who sell stamps, insure packages, and serve us in a hundred other ways; the over 110,000 distribution clerks who sort outgoing mail for dispatch and incoming mail for delivery; and, the over 120,000 city carriers who lug the mail on their backs to your very doorstep will get immediate and eventual increases of form $210 to $320 a year each. Yes; under S. 773 the average may be 6.5 percent; but, like the product we obtain from good Jersey cows, S. 773 is rich with butterfat, but the cream is at the top.

Mr. President, the third and final major difference is with respect to the matter of cost. It is a rather common practice to refer to the cost of one measure as amounting to X number of dollars, and another measure as costing Y number of dollars. Let me assure you, my friends, that the real cost of any measure is to a great extent determined by the effect it has on the spirit of an organization.

I want that to sink in. A pay measure, though lower in initial payroll cost, which does not raise the morale of our postal workers will prove costly to the Government.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. PASTORE. Does the Senator from South Carolina believe that if the postal and civil service employees of the United States are given an average increase in pay of only 7.6 percent, the budget will be balanced?

Mr. JOHNSTON of South Carolina. Of course, the budget will not be balanced.

Mr. PASTORE. If they are given a 10 percent increase, will the budget be balanced?

Mr. JOHNSTON of South Carolina. It will not be balanced, but I think the overall cost will be less.

Mr. PASTORE. The budget will be out of balance anyway, will it not?

Mr. JOHNSTON of South Carolina. The budget is now out of balance, and will stay out of balance for a while, unless the Government stops giving away so many billions of dollars to foreign countries. That is where our money goes—and it goes in the billions of dollars, not in such small amounts as are proposed in the postal pay bill.

On the other hand, a pay measure, though perhaps higher in initial payroll costs, which raises the morale of our postal workers will prove to be the cheapest to the Government in the long run.

Enactment of S. 1 will cause, according to Post Office Department estimates, an initial payroll adjustment amounting to approximately $220 million. Spokesmen for the administration indicated in the hearings that one-third of the cost of legislation to increase the salaries of Federal employees would be absorbed. This would cut the actual figure to something in the neighborhood of $145 million to $150 million. Taking into account the extra amount of Federal income taxes that would be collected, the net cost to the Government would be some $120 million.

In comparing costs of one bill against another, it is well to keep in mind that initial figures do not always tell the complete story. Pay bills are somewhat like automobiles, in that the upkeep must be considered along with the initial cost before a wise decision can be made as to which car is the cheapest to own. In this respect I note that the upkeep of the administration's pay plan is far greater than that of S. 1. Whereas, under S. 1, all postmasters and supervisors would receive annual increases of $100, under the administration's plan they would receive annual increases of up to $400. To be specific, an employee starting out in a position in level 19 at a salary of $12,500 would, after only 6 years, receive $14,660 a year under the administration bill; or, put another way, his pay would increase by $2,160 a year, or 17.2 percent, solely by virtue of his having served in the position for a period of 6 years.

The Postmaster General in a press release dated October 31, 1954, claims to have saved $101 million during the fiscal year 1954 through economy and efficiency.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the majority leader.

Mr. JOHNSON of Texas. I wonder if the Senator from South Carolina will yield to permit me to suggest the absence of a quorum in order that I thereafter may propose a unanimous-consent agreement to vote on the bill at a specified time.

Mr. JOHNSTON of South Carolina. I shall be glad to yield, although I will be finished in a minute.

Mr. JOHNSON of Texas. Very well.

Mr. JOHNSTON of South Carolina. It seems to me that this is a good start, which should be continued; and if continued, the Post Office Department could absorb much of the cost of the bill.

In closing, I remind Senators that the administration's classification plan, which has shattered the morale of postal workers in their home towns and mine, was received with such doubt that it was rejected in the House by an overwhelming majority only a few days ago.

Mr. President, a vote for S. 1 will be a vote on the side of improved employee morale, increased production, and greater efficiency in our postal service. It will be a vote on the side of the rank and file of our postal employees.

A 10-percent increase as provided in S. 1, in my opinion, is the smallest increase Congress should provide at the present time.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. ELLENDER. I did not wish to interrupt the Senator a moment ago; but, as I understand the bill, if the income tax payments to be made by the recipients of the proposed increased are deducted, the total cost to the Government will be $120 million. Is that correct?

Mr. JOHNSTON of South Carolina. It would be approximately $120 million; after tax returns and at least a one-third absorption.

Mr. ELLENDER. Does the Senator think it would be consistent for Senators who recently voted a 50 percent pay increase for themselves to deny a 10 percent increase to the postal workers?

Mr. JOHNSTON of South Carolina. I cannot see, to save my life, how Senators who voted for a 50-percent increase in pay for themselves could now turn around and not vote a 10-percent increase for the postal workers.

Mr. ELLENDER. I may say to the Senator from South Carolina that I shall support the bill whole-heartedly.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. In view of what the distinguished Senator from Louisiana has said, would it not be more consistent to vote for a 50-percent increase in pay for Government employees?

Mr. JOHNSTON of South Carolina. It is important that the Federal employees be granted an adequate increase; and the hearings brough out that a 10-percent increase was reasonable.

Mr. LANGER. The distinguished Senator from South Carolina knows, does he not, that the hearings developed that if the postal workers received a 15-percent increase, they would not have any more take-home pay than they had in 1939?

Mr. JOHNSTON of South Carolina. I am glad the Senator from North Dakota has raised the question of take-home pay. When we consider the living costs in 1939 and the living costs today, frequently we fail to take into consideration that in 1939 it was necessary for Federal employees to pay only a very small income tax; yet now the average return to the Government in Federal income tax is over 20 percent.

Mr. LANGER. Mr. President, will the Senator further yield.

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. I wish to state that the proposed 10-percent increase is entirely inadequate. I want to go on record with that statement. I think the increase should be at least 15 percent, in order to give the Federal employees the same amount of take-home pay as they had in 1939.

Furthermore, it was undisputed at the hearings, which I attended, that the increase ought to be 25 percent, in order to place the postal workers on a par with industrial workers.

In the opinion of the senior Senator from North Dakota, this miserable, lousy 10 percent increase is entirely inadequate.

Mr. JOHNSTON of South Carolina. I will agree with the senior Senator from North Dakota to that extent, because if the employees were given a 15-percent increase they would not be paid any more than what they were receiving in 1939, when take-home pay is taken into consideration.

Mr. LANGER. Why should not the employees receive a 15-percent increase?

Mr. JOHNSTON of South Carolina. The committee has studied the matter and has come to the conclusion that a 10-percent increase is the amount which should be requested in the bill. The Senator from North Dakota knows I am chairman of the committee, and the Senator from North Dakota helped report the bill. The committee desires to have the Senate pass the bill containing a 10-percent increase, so the bill will go to the House, and action may be taken on it.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Kansas.

Mr. CARLSON. As we begin the debate on the postal pay increase bill, I do not want to let the opportunity pass without paying tribute to the chairman of the committee. For years he has worked consistently to bring about an increase in the pay of postal and classified employees. I regret that on this occasion we are not together on the amounts of the proposed increase, but I think both he and I will agree that we are anxious to get a pay increase for Federal employees.

Mr. JOHNSTON of South Carolina. I thank the Senator from Kansas for his remarks. He, as the ranking minority member of the committee, has been most helpful, and even though he has disagreed with us, he has not tried to prohibit action desired by the majority.

PROPOSED UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me for a brief statement, with the understanding he will not lose the floor?

Mr. JOHNSTON of South Carolina. I yield for that purpose.

Mr. JOHNSON of Texas. Mr. President, I have discussed a proposed unanimous-consent agreement with the chairman of the committee, with the ranking minority member of the committee, and with the distinguished minority leader. There were delays in taking up this bill because of the necessity for the consideration of the proposed cotton legislation and the resolutions pertaining to the disposal of the rubber plants, which had to be acted on within a time limit. It appears that if action is to be had on the pay bill this week it will be necessary for the Senate to meet at 10 o'clock tomorrow morning, and, if possible, to operate under a unanimous-consent agreement limiting the time for debate.

A proposed agreement has been worked out which appears to be satisfactory to the Senators I have mentioned. The agreement provides that—

During the further consideration of the bill (S. 1) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, debate on any amendment or motion proposed to the committee substitute, or any appeal arising in connection therewith, shall be limited to 1 hour and 30 minutes—

That is 1 hour and 30 minutes for each amendment, each motion, and each appeal—

to be equally divided and controlled by the proposer of any such amendment or proposal

(including appeals) and the majority leader: *Provided,* That if the majority leader is in favor of any such motion or amendment, the time in opposition thereto shall be controlled by the minority leader: *Provided further,* That no amendment or motion that is not germane to the provisions of the bill shall be received.

Provided further, That debate on the final passage of the bill shall be limited to 2 hours, to be equally controlled by the majority and minority leaders.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. If the Senator will allow me to make one more statement, I shall yield for any questions which Senators may desire to ask.

If the proposed unanimous-consent agreement is entered into, it is expected to have the Senate meet at 10 o'clock tomorrow morning, and it is hoped that the Senate can finish voting on the bill by 5 o'clock tomorrow evening.

I now yield to the Senator from Virginia.

Mr. ROBERTSON. If the unanimous consent agreement is entered into, is it to become effective immediately, or when the Senate meets tomorrow morning?

Mr. JOHNSON of Texas. At the conclusion of the morning hour tomorrow.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Rhode Island.

Mr. PASTORE. Does not the Senator from Texas feel he has been a little too generous with the time provided? I think if we could cut the time allowed by 15 minutes on each side, we would be better off.

Mr. JOHNSON of Texas. I will say to the Senator that I suggested 1 hour. I could not get an agreement on that time. This is the best agreement I could get. However, if any time on the amendment is not used, the time can be yielded back. The Senator from Virginia has an amendment, and it is expected some of the time on it will be yielded back. I may say it is not planned to have a vote after 5 o'clock tomorrow.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from North Dakota.

Mr. LANGER. How much time would be allowed on each amendment?

Mr. JOHNSON of Texas. An hour and a half, to be equally divided.

Mr. LANGER. On each amendment?

Mr. JOHNSON of Texas. Yes.

Mr. LANGER. I have no objection.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Missouri.

Mr. HENNINGS. I should like to ask the Senator from Texas whether the understanding would be that the unanimous-consent agreement would take effect at 10 o'clock tomorrow morning.

Mr. JOHNSON of Texas. No; at the conclusion of the morning hour, with the hope that the morning hour would be concluded at 10:20 or 10:30 o'clock a. m.

Mr. HENNINGS. I wish to say I am a member of the committee, and one of the cosponsors of the bill (S. 1). I have a long-standing engagement to address the bar association at Chicago, Ill., which will require my leaving here tomorrow afternoon at 2:30. I expect to support the bill, and I hope the debate may be so limited as to give me an opportunity to vote for it. If that is not possible, of course, I still should like to see the unanimous-consent agreement entered into.

Mr. JOHNSON of Texas. The Senator from Texas had in mind the engagement of the Senator from Missouri, and obligations of other Senators. That was the reason for my statement.

Mr. CARLSON. Mr. President, I wish to say I think the majorty leader has worked out a most generous agreement. I sincerely hope we will not have to use as much time as has been covered by the agreement. I hope the Senate will get to a vote on the bill early.

Mr. JOHNSTON of South Carolina. I may say to the majority leader that I believe time on the amendments, and probably on the bill, too, can be cut down so far as the committee is concerned.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from South Carolina may yield to me so that I may suggest the absence of a quorum, in order that the unanimous-consent agreement may be proposed.

Mr. JOHNSTON of South Carolina. I yield for that purpose.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business for today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

INCREASE IN RATES OF COMPENSATION FOR EMPLOYEES IN THE FIELD SERVICE, POST OFFICE DEPARTMENT

The Senate resumed the consideration of the bill (S. 1) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, on behalf of myself and the distinguished minority leader [Mr. KNOWLAND], I submit the proposed unanimous-consent agreement which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be stated.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective after morning business on March 25, 1955, during the further consideration of the bill (S. 1) to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department, debate on any amendment or motion proposed to the committee substitute, or any appeal arising in connection therewith, shall be limited to 1 hour and 30 minutes, to be equally divided and controlled by the proposer of any such amendment or motion (including appeals) and the majority leader: *Provided,* That if the majority leader is in favor of any such motion or amendment, the time in opposition thereto shall be controlled by the minority leader: *Provided further,* That no amendment or motion that is not germane to the provisions of the bill shall be received.

Ordered further, That debate on the question of final passage of the bill shall be limited to 2 hours, to be equally divided and controlled by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and the agreement is entered.

Mr. JOHNSON of Texas. Mr. President, I think I should repeat for the RECORD what I previously said, namely, that we shall begin the session on tomorrow at 10 a. m., and shall have the usual morning business under the 2-minute limitation on statements. Perhaps we shall not have a quorum call, but shall let this notice show in the RECORD that we shall commence the session at 10 a. m., so that we shall be able to conclude the morning business and begin at an early hour to proceed under the provisions of the unanimous-consent agreement which now has been entered.

I should like all Members to know that if the number of motions or appeals which may be made should prevent the Senate from concluding its action on the bill by 5 o'clock tomorrow afternoon, no votes will be taken on the bill on tomorrow after that time.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. Of course, I desire to concur in the unanimous-consent agreement which has been entered, and which was submitted on behalf of the majority leader and the minority leader. I also wish to concur in expressing hope that Members on both sides of the aisle will be in the Chamber promptly at 10 o'clock tomorrow if they have any matters to submit under the head of morning business.

Furthermore, in order to cooperate with the majority leader, I shall ask the secretary for the minority to notify all Senators on our side of the aisle to be in the Chamber promptly at 10 a. m., so that we shall be able to avoid the necessity of having a quorum call at that time.

I express the hope that on tomorrow we can complete action on the postal pay bill.

Mr. JOHNSON of Texas. We on this side of the aisle shall follow the same procedure, and all Senators on this side of the aisle will be notified.

I do not wish this opportunity to pass without expressing my deepest appreciation and thanks to the distinguished minority leader and the distinguished ranking minority member of the committee for their always excellent cooperation.

Mr. ROBERTSON. Mr. President, in one of my favorite poems, Robert Browning says:

> Man's reach should exceed his grasp,
> Or what's a heaven for?

That illustrates the philosophy of a good motive—urging a man always to try to be a little bit better than he has been in the past.

In friendship, of course, motive is an essential. I refer to that fact because between good friends of the postal workers there will develop a difference of opinion as to the best way to help them.

In 1935, when a Member of the House of Representatives, I was assigned to the House Committee on Post Office. I served for 2 years on that committee, and during that time became very much interested in the work. I learned a good deal about the operations of the Post Office Department. I met many postal workers and the officials of their State and national organizations.

I learned what a fine group they are—far above the average and patriotic citizens all. This week I asked the Postmaster General whether he had ever found a Communist in the ranks of the postal workers. He had to admit that no one proven to be a Communist had ever been found in the Postal Service, although a very few were questioned for security reasons.

Mr. President, I also learned how appreciative the postal workers are of those who take an interest in their welfare and try to help them. It is no wonder that in the Congress they have many friends.

All the worth-while legislation to improve the status of the postal workers has been enacted since I became a member of the House Committee on Post Office, in 1935. During the ensuing 20 years, we have brought about advances in working conditions, classifications, and salaries which have brought the postal workers up to their present status.

I refer to that fact because during those 20 years, I have supported every bill in favor of the postal workers which has been enacted into law.

Mr. President, as I approach the making of a decision as to what bill I shall favor, I think the many friends I have in Virginia among the postal workers will realize that when I say I honestly believe it will be best for me to support Senate bill 1489, the Carlson bill, which in due time will be offered as a substitute for Senate bill 1, they will know I am sincere in taking that position; and that if I make a mistake, it will be a mistake of the head, not of the heart.

I had planned to discuss—and I hoped very briefly—my reasons for supporting the substitute, but before I do so I feel that it would be helpful to the Senate in passing on this proposed legislation, in passing on pending bills to increase postal revenues—and certainly we should take such action—and in the consideration of future legislation with respect to the operation of the Post Office Department and the pay and working conditions of the employees, briefly to review the history of the Department.

Many American citizens, knowing how deeply imbued with the spirit of private enterprise were the distinguished delegates to the Constitutional Convention who gathered in Philadelphia in the summer of 1787, have often wondered why they injected one little dose of socialism into an organic law designed to establish a better union on the basis of private enterprise. I will tell the Senate why, but before I do so let me say that later I shall insert all the available statistics of receipts and disbursements of the Post Office Department for 118 years. That is as far back as the records are available. Those statistics will indicate that in 118 years the Post Office Department operated in the red 100 times, a fact which should cause us to be happy that the Founding Fathers decided to have only one socialistic operation in the Government. The reason they decided to do that was that they inherited the postal system from Great Britain, and did not know how to get rid of it.

In colonial days the right to handle the mails belonged to the Crown. The King controlled that function. That is the situation in Europe today. All the monarchies, and all the republics which were formerly monarchies, have government control of the post office. But they do not stop there. They have control of the railroads, telegraph communications, and many other things. But the Crown had control of handling the mails, and that was a source of revenue to the Crown in colonial days.

There were few things that irritated the Colonists more than the exorbitant charge for carrying the mails. With all due deference to that venerable and great statesman, Benjamin Franklin, who for a number of years held the exclusive right to establish post offices and carry the mail for all the colonies, he was bitterly criticized both for the cost of the service and for its inefficiency.

I am reminded of the plan of the Roman emperors, after Julius Caesar had conquered Palestine. They wanted to collect revenue from the conquered province, which was far removed from Rome, so they invited Jews to make bids on the revenue they would collect, and the contract went to the highest bidder. Then he had to go home and collect the amount of his bid, and, in addition, whatever he could collect for his own compensation.

Those tax collectors were called publicans, and their operations were so distasteful to their fellow citizens that two classes of undesirable citizens were designated in Palestine, namely, publicans and sinners; and publicans rated No. 1.

In Colonial days those who were gouging the people for handling the mail under a monopoly were very unpopular. I must give the venerable Benjamin Franklin credit for one thing. He had a frank, which was very valuable to him, because he could frank Poor Richard's Almanac all over the country free of mailing charges. That was quite a source of revenue in itself. It put him ahead of his competitors. No doubt his successor, the Saturday Evening Post, would very much enjoy such a privilege today. But when the Colonies started stirring for independence, Benjamin Franklin, to his credit, changed the wording of his frank. The stamp, which he gave to all his postmasters, read "Franking Privilege—Free—B. Franklin." He changed it to read "Be Free—Franklin." That got back to King George, who said, "You are fired." So Franklin lost his contract.

Several others had contracts, but when the Continental Congress met in the summer of 1776 in Philadelphia, everyone was complaining about the mail service, so Benjamin Franklin was named the first Postmaster of the Federation, and the rates which should be paid were fixed. He served for quite a while, but not until the new United States Congress came into being.

I have examined very carefully the debates of the Philadelphia Constitutional Convention of 1787 to see what was said about a postal department. I examined three different plans. All of them contained the power of the legislature to establish post offices.

There was not a word of debate in the Constitutional Convention on that subject. Not even Madison, who kept pretty full notes, had anything to say except with respect to the vote. There was no contest whatever over that provision of the Constitution. It is now found in clause 7 of section 8 of article I, which enumerates various powers of the Congress, and provides that the Congress shall have power to establish post offices and post roads. Madison does refer to the fact that Benjamin Franklin offered an amendment to "post offices" so as to add "and post roads." That amendment carried by a vote of 6 States to 5, which was pretty close. The Founding Fathers did not want Congress to get into road building, but they let that provision get by.

James Madison then offered another amendment, to add the words "and canals when deemed necessary." That received the votes of only two States, so it lost.

So we inherited a socialistic enterprise, but it was supposed to be a revenue producer—and it was a revenue producer. Then we come to the first session of the First Congress. This is what was enacted into law on the 22d of September 1799, when the President approved the following bill, which had been passed by the First Congress of the United States:

> That there shall be appointed a Postmaster General; his powers and his salary, (b) and the compensation to the assistant or a clerk and deputies which he may appoint, and the regulations of the Post Office shall be the same as they last were under the resolutions and ordinances of the late Congress. The Postmaster General to be subject

to the direction of the President of the United States in performing the duties of his office, and in forming contracts for the transportation of the mail.

The rates which were put into effect represented a tremendous reduction from what they had been. This was in 1789. The rates were as follows: Up to 30 miles, 6 cents; 30 to 80 miles, 10 cents; 80 to 150 miles, 12 cents per sheet; 150 to 400 miles, 18¾ cents; over 400 miles, 25 cents. That is the way postal rates started out.

It was not long before question arose as to what the power to establish post offices meant and question also arose as to what the power to establish post roads meant.

I turned to the annotated Constitution to find how many decisions had been made under this section of the Constitution. If I recall, there were only three of them.

One dealt with the right of Congress to appropriate funds to that section of the Cumberland toll road in Pennsylvania which was used as a post road. The Court upheld that appropriation.

The next one arose over an effort by Congress to build a bridge on a toll road. The Court turned that effort down. The Court held that Congress did not have the right to build a bridge.

Today we are spending hundreds of millions of dollars on roads, and we are being asked to undertake a $101 billion road-building program. All of it dates back to that one decision dealing with the Cumberland toll road under the constitutional authority establishing post offices and post roads. Under that decision, Congress was authorized to contribute to the upkeep of a toll road in Pennsylvania. That is the only constitutional authority for the road building we have done since and are planning to do today.

Then the question arose as to whether Congress could actually build a post office. The Government started condemnation proceedings in Cincinnati, Ohio. A man by the name of Kohl objected. That case was decided in *Kohl* v. *U. S.* (91 U. S. 367). It was decided in 1876. The court held that Congress had the right to condemn land and to build post offices. That principle has not been challenged since that time.

It was not until 1845 that Congress found it needed to protect the postal revenue by declaring a monopoly over first-class mail. Other people were cutting in, and were delivering mail in cities for very much less than the Government was charging. That practice was reducing the Government's revenue, and, so, in 1845 Congress passed a law which declared that practice to be illegal.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement dealing with section 9 of the act of March 3, 1845.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

On September 22, 1789, the President approved the following bill which had been passed by the First Congress of the United States:

"That there shall be appointed a Postmaster General; his powers and salary, (b) and the compensation to the assistant or clerk and deputies which he may appoint, and the regulations of the post office shall be the same as they last were under the resolutions and ordinances of the late Congress. The Postmaster General to be subject to the direction of the President of the United States in performing the duties of his office, and in forming contracts for the transportation of the mail.

"SEC. 2. *And be it further enacted*, That this act shall continue in force until the end of the next session of Congress, and no longer."

It was not until March 3, 1845, that the President approved an act of Congress, the title of which was: "An act to reduce the rates of postage, to limit the use and correct the abuse of the franking privilege, and for the prevention of frauds on the revenues of the Post Office Department." Section 9 of that act, which for the first time by legislative action gave the Government a legal monopoly of carrying the mails, reads as follows:

"SEC. 9. *And be it further enacted*, That it shall not be lawful for any person or persons to establish any private express or expresses for the conveyance, nor in any manner to cause to be conveyed, or provide for the conveyance or transportation by regular trips, or at stated periods or intervals, from one city, town, or other place, to any other city, town, or place in the United States, between and from and to which cities, towns, or other places the United States mail is regularly transported, under the authority of the Post Office Department, of any letters, packets, or packages of letters, or other matter properly transmittable in the United States mail, except newspapers, pamphlets, magazines, and periodicals; and each and every person offending against this provision, or aiding and assisting therein, or acting as such private express, shall, for each time any letter or letters, packet or packages, or other matter properly transmittable by mail, except newspapers, pamphlets, magazines, periodicals, shall or may be, by him, her, or them, or through his, her, or their means or instrumentality, in whole or in part, conveyed or transported, contrary to the true intent, spirit, and meaning of this section, forfeit and pay the sum of $150."

Mr. ROBERTSON. Mr. President, I have mentioned the fact that when the postal service was started in this country it was started for the purpose of producing revenue. I regret that we do not have statistics prior to 1837. There are several departmental reports stating that there was a surplus, but the reports do not state how large the surplus was. No figures are available.

Then Congress decided that it was not the purpose to operate the Post Office Department in order to obtain revenue. The purpose, it was said, was to have the post office pay its own way. That was the theory. It was to pay its own way.

A significant fact is that in the first year for which we have figures the Post Office produced a large revenue.

I ask unanimous consent to have inserted in the RECORD at this point the statistics for the past 118 years of receipts and disbursements of the Post Office Department.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Post Office Department—Postal deficit since 1837

Fiscal year	Revenues	Expenses	Surplus	Deficit	Fiscal year	Revenues	Expenses	Surplus	Deficit
1837	$4,101,703	$3,288,319	$813,384		1869	$17,314,176	$23,677,913		$6,363,737
1838	4,238,733	4,430,662		$191,929	1870	18,879,537	23,977,391		5,097,854
1839	4,484,657	4,636,536		151,879	1871	20,037,045	24,395,798		4,358,753
1840	4,543,522	4,718,236		174,714	1872	21,915,426	26,664,520		4,749,094
1841	4,407,726	4,499,687		91,961	1873	22,996,742	29,125,635		6,128,893
1842	4,546,850	5,671,063		1,124,213	1874	26,471,072	32,228,980		5,757,908
1843	4,296,225	4,374,845		78,620	1875	26,791,314	33,611,634		6,820,320
1844	4,237,288	4,298,628		61,340	1876	28,644,198	33,291,451		4,647,253
1845	4,289,842	4,326,692		36,850	1877	27,531,585	33,658,941		6,127,356
1846	3,487,199	4,120,518		633,319	1878	29,277,517	34,182,546		4,905,029
1847	3,880,309	4,081,128		200,819	1879	30,041,983	33,457,915		3,415,932
1848	4,555,211	4,380,459	174,752		1880	33,315,479	36,537,433		3,221,954
1849	4,705,176	4,477,664	227,512		1881	36,785,398	39,607,357		2,821,959
1850	5,499,985	5,213,244	286,741		1882	41,876,410	40,622,486	$1,253,924	
1851	6,410,604	6,278,710	131,894		1883	45,508,693	43,327,340	2,181,353	
1852	5,184,527	7,107,550		1,923,023	1884	43,325,959	47,233,016		3,907,057
1853	5,240,725	7,983,090		2,742,365	1885	42,560,844	50,042,254		7,481,410
1854	6,255,586	8,608,286		2,352,700	1886	43,948,423	51,016,918		7,068,495
1855	6,642,136	9,968,992		3,326,856	1887	48,837,609	52,982,627		4,145,018
1856	6,920,822	10,407,868		3,487,046	1888	52,695,177	56,467,643		3,772,466
1857	7,353,952	11,507,670		4,153,718	1889	56,175,611	62,344,715		6,169,104
1858	7,486,793	12,721,637		5,234,844	1890	60,882,098	66,282,863		5,400,765
1859	7,968,484	11,457,513		3,489,029	1891	65,931,786	73,082,395		7,150,609
1860	8,518,067	19,170,606		10,652,539	1892	70,930,476	77,041,452		6,110,976
1861	8,349,296	13,601,263		5,251,967	1893	75,896,933	81,613,722		5,716,789
1862	8,299,821	11,125,965		2,826,144	1894	75,080,479	85,057,995		9,977,516
1863	11,163,790	11,306,415		142,625	1895	76,983,128	87,213,570		10,230,442
1864	12,438,254	12,843,068		404,814	1896	82,499,208	90,943,410		8,444,202
1865	14,556,159	13,638,909	917,250		1897	82,665,463	94,097,042		11,431,579
1866	14,386,986	15,320,837		933,851	1898	89,012,619	98,067,171		9,054,552
1867	15,237,027	19,209,378		3,972,351	1899	95,021,384	101,651,520		6,630,136
1868	16,292,601	22,837,949		6,545,348	1900	102,354,579	107,764,937		5,410,358

Post Office Department—Postal deficit since 1837—Continued

Fiscal year	Revenues	Expenses	Surplus	Deficit	Fiscal year	Revenues	Expenses	Surplus	Deficit
1901	$111, 631, 193	$115, 612, 714		$3, 981, 521	1931	$656, 463, 383	$802, 529, 573		$146, 066, 190
1902	121, 848, 047	124, 809, 217		2, 961, 170	1932	588, 171, 923	793, 722, 534		205, 550, 611
1903	134, 224, 443	138, 811, 420		4, 586, 977	1933	587, 631, 364	700, 006, 256		112, 374, 892
1904	143, 582, 624	152, 395, 394		8, 812, 770	1934	586, 733, 166	630, 767, 001		44, 033, 835
1905	152, 826, 585	167, 420, 972		14, 594, 387	1935	630, 795, 302	696, 603, 253		65, 807, 951
1906	167, 932, 783	178, 475, 725		10, 542, 942	1936	665, 343, 357	753, 659, 681		88, 316, 324
1907	183, 585, 006	190, 277, 037		6, 692, 031	1937	726, 201, 110	772, 815, 842		46, 614, 732
1908	191, 478, 663	208, 388, 942		16, 910, 279	1938	728, 634, 051	772, 445, 607		43, 811, 556
1909	203, 562, 383	221, 042, 154		17, 479, 771	1939	745, 955, 075	784, 646, 939		38, 691, 864
1910	224, 128, 658	230, 010, 140		5, 881, 482	1940	766, 948, 627	807, 732, 866		40, 784, 239
1911	237, 879, 824	237, 660, 706	$219, 118		1941	812, 827, 736	836, 945, 548		24, 117, 812
1912	246, 744, 016	248, 529, 539		1, 785, 523	1942	859, 817, 491	873, 956, 528		14, 139, 037
1913	266, 619, 526	262, 108, 874	4, 510, 652		1943	966, 227, 289	952, 535, 379	$13, 691, 910	
1914	287, 934, 566	283, 558, 102	4, 376, 464		1944	1, 112, 877, 174	1, 068, 985, 619	43, 891, 555	
1915	287, 248, 165	298, 581, 474		11, 333, 309	1945	1, 314, 240, 132	1, 145, 101, 185	169, 138, 947	
1916	312, 057, 689	306, 228, 453	5, 829, 236		1946	1, 224, 572, 173	1, 372, 655, 008		148, 082, 835
1917	329, 726, 116	319, 889, 904	9, 836, 212		1947	1, 299, 141, 041	1, 574, 008, 673		274, 867, 632
1918	388, 975, 962	324, 849, 188	64, 126, 774		1948	1, 410, 971, 284	1, 754, 893, 289		343, 922, 005
1919	436, 239, 126	362, 504, 275	73, 734, 851		1949	1, 571, 851, 202	2, 163, 380, 730		591, 529, 528
1920	437, 150, 212	454, 420, 695		17, 270, 483	1950	1, 677, 486, 967	2, 267, 069, 182		589, 582, 215
1921	463, 491, 275	621, 008, 963		157, 517, 688	1951	1, 776, 816, 354	2, 328, 327, 570		551, 511, 216
1922	484, 853, 541	545, 668, 942		60, 815, 401	1952	1, 947, 316, 280	2, 674, 366, 498		727, 050, 218
1923	532, 827, 925	556, 893, 128		24, 065, 203	1953	2, 091, 714, 112	2, 710, 225, 753		618, 511, 641
1924	572, 948, 778	587, 412, 755		14, 463, 977	1954	2, 268, 516, 717	2, 667, 663, 483		399, 146, 766
1925	599, 591, 478	639, 336, 505		39, 745, 027					
1926	659, 819, 801	679, 792, 180		19, 972, 379	Cumulative surplus or deficit			395, 342, 529	6, 043, 932, 258
1927	683, 121, 989	714, 628, 189		31, 506, 200					
1928	693, 633, 921	725, 755, 017		32, 121, 096	Net cumulative deficit				5, 648, 589, 729
1929	696, 947, 578	782, 408, 754		85, 461, 176					
1930	705, 484, 098	803, 700, 085		98, 215, 987					

NOTE.—Expenses, 1946 to date, are obligations chargeable to those years, including adjustments for retroactive rate increases to railroads for fiscal years 1947 through 1951. Expenses shown prior to 1946 are expenditures made during those years and include some expenditures chargeable to other years.

Mr. ROBERTSON. Mr. President, I wish to call attention to several significant facts in the statement I have inserted in the RECORD. In 1837 the receipts of the Post Office Department amounted to about 16 percent of the total receipts of the Government, which were only $25 million. In that year the Government spent $37 million and had a deficit of $12 million. Yet the Post Office Department showed a surplus of $813,384.

The Post Office Department not only operated the postal service, but supplied about 6 percent of all the money expended by the Government, except by the Army and the Navy. Those were big dollars in those days, Mr. President. It is said to be a dollar of that kind that George Washington threw across the Potomac. We are told a dollar went further in those days. It was a big dollar. The total revenue received by the Government was $25 million, and the Post Office Department produced 16 percent of it.

Then the receipts started to go down, or rather, I should say, the costs started to go up. The costs started to go up much faster than the receipts. In 1848, 1849, and 1850 the Post Office Department had tremendous surpluses. In the last year of the War Between the States the surplus was $917,250. Soldiers were writing home and everybody was writing to the soldiers, and there was a large surplus produced by first-class mail. That is always a revenue-producing service. It is producing a handsome profit now. The heavy loss comes on second-class mail, on junk mail, and, to some extent, on fourth-class mail, which is parcel post, although the loss from that category has been reduced.

I wish to call attention to the statistics I have inserted in the RECORD by pointing out that the large postal deficits started in fiscal 1946. In fiscal 1945, which was a war year, the surplus was $169,138,947. The next year the deficit was $148 million-plus. The deficit continued to rise until fiscal 1952, when it reached the enormous sum of $727,050,218.

The cumulative deficit of a Government monopoly, which had been established to make a profit, is today $5,648,589,729.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CARLSON. The distinguished junior Senator from Virginia is a member of the subcommittee of the Appropriations Committee which considers post-office appropriations. The Senate and the Post Office Department are fortunate that he is in that position, because he has profound knowledge of postal matters, as is evidenced by his very fine statement.

I wish to ask the Senator to tell us, if he can, what the anticipated deficit of the Post Office Department will be at the end of fiscal 1955.

Mr. ROBERTSON. The Postmaster General testified before the subcommittee this week that, on the basis of the passage of a 7.6-percent salary bill, the deficit would be $455 million, and on the basis of a 10-percent salary bill, the deficit would be $505 million. We should bear in mind the fact that we must temper our love and affection and generosity for our postal workers with a sense of justice to those who must pay the bills. Every dollar of pay raise will have to be paid in borrowed dollars, on which the taxpayers must pay interest for an indefinite period.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. CARLSON. I am sure that the distinguished junior Senator from Virginia entertains the same view I do with respect to the postal deficit. We are concerned about it, and we are concerned about its continued growth. I firmly believe that the Post Office Department is a service organization, and therefore a certain percent of the cost should be borne by the taxpayers. However, when that figure begins to exceed $150 million or $200 million, we are getting to the point where the users of the postal service should at least carry the cost.

Mr. ROBERTSON. The junior Senator from Virginia believes that, while we need not put such a provision in this bill, we should certainly at this session take action in compliance wtih the President's very urgent request in his budget message of last January, when he asked us to provide $400 million of additional revenue for the Post Office Department. He said if we did that, the deficit of the Post Office Department for the next fiscal year would amount to $25 million.

Of course, Mr. President, the deficit includes many subsidies. Let us be frank. We carry mail free for the blind—and I am glad of that—and we give to religious and fraternal orders a cut rate on their literature, books, and what not. There are many subsidies involved. I suppose they should be identified, but, in any event, we should try to balance each year the budget of the Post Office Department. It was never intended to be an instrumentality for a broad program of subsidization or to be operated, merely because it was a function performed by the Government, without regard to the cost.

Mr. CARLSON. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. CARLSON. The Senator will well remember that last year a postal pay increase bill was passed by both Houses, but was vetoed by the President because he felt at that time that provision for postal rate increases should be a part of that particular piece of legislation. I did not share that view. I do not think the salaries of postal employees should be determined by the Post Office deficit, but, on the other hand, I do not think we can continue to build up postal deficits.

Mr. ROBERTSON. I voted for the 5-percent increase and regretted that the President vetoed the bill. It now ap-

pears, hindsight being a little better than foresight, that that bill would have been cheaper than is the one we are now considering.

Mr. CARLSON. That bill would have cost $130 million, and I think the bill before the Senate at this time will cost $160 million. The Senate bill does not contain provisions for reclassification. If it did, it would cost many more millions of dollars.

Mr. ROBERTSON. Mr. President, but for the lateness of the hour I should like to go into further detail regarding the history of the Post Office Department, but I must hurry on to a discussion of the measure on which we are going to vote.

There are two proposals. One provides a 10-percent increase for all postal workers, to be followed by a similar increase, as I understand, for all classified civil-service workers.

We have, also, the Carlson bill. I wish to mention reclassification, because it gave me considerable concern until I found out the facts. I received many letters protesting against it, and reached the conclusion that it must be pretty bad because the great majority of the writers opposed it. A few favored it. I found out in reading the debate on the House side on a bill which is the same as the Carlson bill that there had been attached to that bill 20 amendments which eliminated all the bona fide and serious objections.

Can we reclassify an employee and cut his salary? We cannot do so and make him like it. He can appeal to the Civil Service Commission, and its decision is final and binding on the Post Office Department.

For fear that the Post Office Department might turn things topsy-turvy, the bill authorizes the reclassification of approximately 10 percent of the postal employees. There is no doubt that reclassification is overdue. There are 20 safeguards. I do not have time to mention all 20 of them, but they have been thrown around reclassification. I am satisfied that if the persons who have written me had it explained to them, they would withdraw their objections to reclassification.

That brings us, Mr. President, to the final decision as to what percentage of increase we should support. I have been for 22 years a consistent friend of the postal workers. I should like to give them as much as we can afford to give them, but I am firmly convinced that if we go above 7.6 percent the President will veto the bill. If he should veto it, I could hold out to my friends in Virginia no assurance that when they asked me for bread I did not give them a stone in voting for a 10 percent bill. I could give them no assurance whatever that the President's veto of a 10 percent bill could be overridden in both branches of the Congress.

We have an unbalanced budget, which gives me grave concern, and there is a growing trend toward inflation which Mr. Bernard Baruch expressed so potently before our committee last Wednesday, when he said, "Above everything else, if you want to control the stock market, have a sound fiscal policy, and control inflation."

Mr. President, I asked the Postmaster General to give me statistics analyzing the Carlson bill. I have his reply which was sent by special messenger today. I ask unanimous consent to have printed in the RECORD at this point the statistics furnished to me by the Post Office Department.

There being no objection, the statement of statistics was ordered to be printed in the RECORD, as follows:

Here are the facts:

Since 1945, the cost of living has advanced 48.6 percent.

Since 1945, the starting salary for clerks and letter carriers has been increased by 92 percent, from $1,700 in 1945 to $3,270 at present. S. 1489 would make this increase 114 percent ($3,640).

Since 1945, the top salary for clerks and carriers has increased by 94 percent, from $2,100 to $4,070. (This does not include longevity payments of $100 each at the end of 13, 18 and 25 years of service.) S. 1489 would increase the top rate to $4,360, or 108 percent.

The clerk or carrier working for the Department in 1945 at $1,700 will earn $4,360 upon passage of S. 1489, an increase in basic salary of 156 percent.

Since July 1951, when clerks and letter carriers were given a salary increase of $400 a year, the cost of living has increased slightly more than 3 percent. The salary increase provided in S. 1489 averages 7½ percent, with a minimum increase of 6 percent.

Upon approval of a supplemental appropriation now pending in the Congress, letter carriers will also receive a $100 tax-free uniform allowance.

According to the BLS Occupational Wage Survey, 1954, a class A accounting clerk in private industry earns $3,432 in Boston and $4,290 in Cleveland. If this position were in the postal field service it would be allocated to salary level 6 in S. 1489, and would pay $3,880 to $4,630 a year.

A truckdriver in Boston, according to the same survey, is paid $3,390 per year; in Atlanta and Memphis he is paid $2,558; in Cleveland he is paid $4,243. Under S. 1489 he would be paid $3,640 to $4,360.

A janitor in Boston in private industry earns $2,683 a year; in Memphis he receives $2,018; in Cleveland and Chicago he receives $3,182. S. 1489 will pay janitors $2,870 to $3,470 a year.

A guard or watchman in a private industrial plant in New York in 1954 was earning $2,870 to $3,245. The Post Office Department will pay its guards and watchmen under S. 1489 from $3,330 to $3,990 a year.

According to the Municipal Yearbook, 1954, a truckdriver working for the city government is paid $3,744 in Philadelphia and $4,243 in Milwaukee. The Post Office Department under S. 1489 would pay $3,640 to $4,360.

An automobile mechanic receives $4,098 from the city of Philadelphia, $4,576 in Milwaukee, and $4,909 in San Francisco. S. 1489 would pay $3,880 to $4,630.

A junior clerk-typist receives $2,723 from the city of Philadelphia, $3,360 in Milwaukee, and $3,840 in San Francisco. S. 1489 would pay $3,330 to $3,990.

The Carlson substitute bill would give an increase to city letter carriers averaging 8.2 percent—and to the lowest grade letter carriers of 11.3 percent.

Mr. ROBERTSON. Mr. President, when the Members of Congress read this statistical analysis showing how the increases are to be made and then compare the increases, as the Postmaster General did, with wages paid in comparable employment in private industry, I do not see how anyone can say that we are being unfair to the postal employees. Of course, we are not so generous as we would be if we gave them a 10 percent increase in salaries.

For the reasons I have enumerated, Mr. President, and because the hour is growing late and I do not wish unduly to detain my colleagues, especially the very distinguished colleague from New York [Mr. LEHMAN] who is scheduled to speak after I have concluded, I wish to say, in conclusion, that it is my honest opinion that Congress would be well advised for the time being to support the Carlson proposal of a 7.6 percent increase, with reclassification, and then next year, if we shall be in better fiscal shape, if the Congress thinks there should be another increase of 2 or 3 percent, we can grant it then. But for the time being I say I cannot feel that I should go further than the 7.6 percent increase, and I honestly think I have taken a position best calculated to put some actual cash into the pockets of those who need it.

I yield the floor, Mr. President.

PROPOSED PEACE CODE FOR THE MIDDLE EAST

Mr. LEHMAN. Mr. President, I have read, with appreciation and approval, of the proposal by the Government of Israel, through Ambassador Abba Eban in the Security Council, that Egypt join with Israel in a peace code for the Middle East.

I consider this to be the first constructive proposal I have heard in many months to deal frontally with the tragic tensions which now exist between Israel and her Arab neighbors.

The American people desire, above all, to see the Middle Eastern tensions allayed. They desire to see constructive steps taken in the direction of peace, understanding, and cooperation between Israel and her neighbors. We are as concerned with the welfare of the people of Egypt as we are with that of the inhabitants of Israel. The welfare of both peoples can best be served—can be served only—by settlements and understandings which will facilitate common and cooperative efforts to resolve the political and economic problems of the Middle East.

If the Egyptian Government would agree to give sober and sympathetic consideration to the Israeli proposals and enter into negotiations concerning them—as was envisioned in the Rhodes Agreements of 1949—the free world will have reason to rejoice.

I am convinced that the people of both Israel and Egypt desire an end to the tragic incidents of recent months, and the threat to world peace which those incidents—all of them collectively—continue to pose.

The Government of Egypt can assume its rightful role of leadership among the Arab peoples, by giving concrete evidence that Egypt accepts the existence of Israel within her present boundaries and is prepared to move forward to a

normalization of relations between Egypt and Israel. Such a step would help, in my judgment, to break the unhappy stalemate which now exists in that area. It would, of course, bring an end to the violent incidents—to the raids and killings—which now occur almost daily along the Egyptian-Israeli border.

Thirty killings occurring over a period of weeks are no less tragic than a similar number occurring in one bloody clash.

Even while the Security Council is weighing Egyptian charges against Israel, the press reports a new condemnation of Egypt by the mixed armistice commission, on the basis of a violation of the Israeli borders by Egypt.

I ask unanimous consent that a press report of the incident I have just referred to be printed in the RECORD at this point in my remarks.

There being no objection the article was ordered to be printed in the RECORD, as follows:

ARMISTICE UNIT BLAMES EGYPT

JERUSALEM, March 23.—The Egyptian-Israeli Mixed Armistice Commission placed on Egypt today the responsibility for blowing up an Israeli command car close to the Gaza Strip last Friday night.

The commission adopted an Israeli resolution with these findings:

Two trained men crossed during the night from Egyptian-held territory into Israel and planted a mine on a track used by routine security patrols of Israel.

As a result a command car in which 4 Israeli soldiers were riding was blown up, lightly wounding the soldiers and knocking parts of the vehicle 75 yards away.

Egypt was called upon to terminate immediately all aggressive acts against Israel.

Meanwhile Edward B. Lawson, the United States Ambassador, assured two leaders of the Rabbinical Council of America that the United States would never tolerate any violation of the integrity of the current boundaries of Israel.

The two religious heads were Rabbis David B. Hollander, president of the Rabbinical Council, and Hershel Schachter, chairman of the Israeli committee of the council.

Mr. LEHMAN. Mr. President, we all recognize that there are many difficulties in the way of a settlement of all outstanding problems between Egypt and Israel. These difficulties must be surmounted, one by one. The separate points of tension and controversy need to be resolved, each on its own merits.

There is the problem of the refugees, many of whom are now quartered, inadequately and unhappily, in the Gaza Strip in Egypt. There is the matter of the Suez Canal and the right of Israeli vessels to transit the canal without interruption.

These are but a few of the problems existing between Egypt and Israel.

Both Egypt and Israel must be willing to meet each other half way, to negotiate, and to reach agreements. I feel certain Israel is so disposed. I hope that Egypt will be likewise disposed.

Surely all the nations of the free world, including the United States, would be ready to contribute to the resolution of as many of these problems as possible. It is to the essential interest of the free world that peace be established and maintained in the Middle East.

The United States Government, for its part, must and should give its full support to the Israeli proposal for a peace code. The United States Government should use all its persuasive power upon Egypt to accept this proposal as a basis for negotiation.

Our Government can do a great deal which it is not now doing. Our Government should be moving with full force and vigor to rescue Israel from the isolation which now engulfs her in the Middle East. We should be pushing the excellent Johnson plan for the joint development and use of the Jordan River basin. By bringing the nations—all the nations—in the Middle East together, by helping to establish a common front among them, to the maximum extent possible, we shall thereby advance the cause of Middle Eastern security, and consequently, of free world security.

The peace and security of the free world are, of course, the highest goals of American foreign policy.

The bringing of peace to the troubled Middle East would constitute one of the greatest achievements of our diplomacy. We must exert our utmost effort to accomplish it.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point in my remarks, a news article appearing in this morning's New York Times, reporting the Israeli proposal of a peace code with Egypt.

There being no objection the article was ordered to be printed in the RECORD, as follows:

ISRAEL BIDS EGYPT JOIN IN PEACE CODE—EBAN ASKS FOR RENUNCIATION OF "USELESS HOSTILITY" IN SECURITY COUNCIL TALK

(By Kathleen Teltsch)

UNITED NATIONS, N. Y., March 23.—Israel asked Egypt today to renounce "useless hostility" and join her in a code for peace in the Middle East.

The Israeli Government, Abba Eban declared in the Security Council, stands ready to give "an assurance that if no hostile act is carried out by Egypt against Israel, then no hostile act of any kind will be carried out by Israel against Egypt."

The offer was made in Israel's first answer to Egypt's demands that Israel be condemned and punished for launching an attack last month near Gaza. Thirty-eight Egyptians and 8 Israelis were slain in the clash. Israel has insisted—and Mr. Eban today stressed this stand—that for months before the Gaza episode, Egypt stepped up assaults across the border, sabotage, spying and infiltration.

There was no reply from Omar Loutfi, Egypt's delegate, to Israel's invitation. Instead, he reiterated Egypt's argument that Israel sought to "drown out" the Gaza incident by bringing in a flood of countercharges.

The Egyptian spokesman briefly took issue with the report made last week by the United Nations' Palestine truce chief. In a restrained tone, he objected that Maj. Gen. E. L. M. Burns had gone "far beyond" his instructions to report on the Gaza case.

General Burns had informed the council that Israel was blamed for opening an attack on Egyptian military installations. However, he had said also that increased infiltration from Egypt had been "one of the main causes" of increased border tensions.

Mr. Eban, in setting out Israel's case, made only passing reference to the Gaza clash, observing that "regrettable serious loss of life" had occurred. He did not mention Israel's original argument that Egypt had opened fire on Israel and that in the skirmish Israeli forces had crossed the border.

The Israeli delegate charged, however, that Egyptian aims to wrest the Negev from Israel were at the root of Egypt's stepped-up policy by harassment of Israeli pioneer settlements in the Negev area.

"Let me say that Egypt or any other Arab state will not get the Negev, nor is our territory available for bargaining," he declared, in a reference to a recent Egyptian statement indicating the return of the Negev might be the price for Cairo's joining in a Middle East pact.

Mr. Eban, in his hour-long speech, ignored Egypt's demand last week that the council invoke sanctions against Israel—an unlikely prospect, it is agreed here—and also ask reparations for the loss of life and damage at Gaza. He dwelt mainly on a recital of border violations by Egypt—he enumerated 21 in detail—and on the offer for a peace code.

KEYSTONE OF MIDEAST PEACE

By cooperation, he insisted, Egypt and Israel could become the keystone of Middle East peace.

As steps toward this end, he urged that Cairo agree to proclaim the abolition of the state of war and to uphold the 1949 armistice agreement signed by both sides on the island of Rhodes.

The Egyptian delegate charged that the Israeli statement was full of "omissions, and inaccuracies" and had avoided mentioning the "brutal Gaza attack." His theme was that Israel's countercharges were mainly a recital of minor frontier troubles that, unlike the Gaza case, did not threaten peace in the Middle East.

He held also that the Burns report indicated that conditions along the border had been tranquil and that this disproved Israel's claim of a crisis created by Egypt.

The time has come, he declared, for the Council to heed its responsibility and see that no similar aggression by Israel occurs again. Egypt and all Arab states, he added, await this action.

THE PASSING OF PAUL V. McNUTT AND JOHN W. DAVIS

Mr. JOHNSON of Texas. Mr. President, this has been a melancholy day for America, a day on which we lost two of our great statesmen.

The wires have just carried the sad news of the death of John W. Davis, my party's candidate for the presidency in 1924. Earlier in the day we learned of the passing of Paul V. McNutt, who headed the World War II Manpower Commission and served both as High Commissioner to the Philippines and as Ambassador to the Philippines.

The loss of either of these men would be a sad blow to any country. The loss of both is more than doubly distressing.

In recent years they have been living almost in retirement. But they were available with wise counsel and advice whenever they were called upon.

I was a friend of Paul V. McNutt, who was somewhat nearer my generation. I had many contacts with him during World War II, and my association and friendship were rewarding.

John William Davis was raised in the great American legal tradition. He was one of our most distinguished legal minds, and his contributions to American thought were direct and significant.

Death has ended two distinguished careers—political, diplomatic, and legal. But their families can rest secure in the thought that they have left behind them enduring monuments that will strengthen America throughout the ages.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. McNAMARA in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS TO 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, under the order previously agreed to by the Senate, I now move that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 57 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Friday, March 25, 1955, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 24 (legislative day of March 10), 1955:

DIPLOMATIC AND FOREIGN SERVICE

Joseph C. Satterthwaite, of Michigan, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burma, vice William J. Sebald, resigned.

Joseph E. Jacobs, of South Carolina, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Poland.

UNITED NATIONS

John M. Allison, of Nebraska, Ambassador Extraordinary and Plenipotentiary to Japan, to serve concurrently and without additional compensation as the representative of the United States of America to the 11th session of the Economic Commission for Asia and the Far East of the Economic and Social Council of the United Nations.

COUNCIL OF ECONOMIC ADVISERS

Joseph S. Davis, of California, to be a member of the Council of Economic Advisers.

Raymond J. Saulnier, of New York, to be a member of the Council of Economic Advisers.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 24, 1955

The House met at 11 o'clock a. m., and was called to order by Mr. COOPER, Speaker pro tempore.

The SPEAKER pro tempore (Mr. COOPER). The Chair lays before the House the following communication.

The clerk read as follows:

MARCH 24, 1955.

I hereby designate the Honorable JERE COOPER to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

Rev. Albert P. Shirkey, D. D., minister, Mount Vernon Place Methodist Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, we are thankful indeed that we are a part of this great and mighty Nation upheld by Thee, conceived in liberty, and dedicated to the proposition that all men are created equal.

Teach us how to erase from our national life the feeling that some men, because of their race, color, class, condition, or creed, are looked upon as superior while other men are counted inferior.

Bless our labors in the fields of religion and education, in health and welfare, in business and political life so that equal opportunities shall be extended to all.

Above our Nation is the flag our fathers, by great sacrifice, have raised up. Through zeal and devotion may we, their sons, keep it up.

God bless our President, our Congress, our judges, and every citizen so that, walking forward against all tyranny with faith in God and confidence in each other, we shall help to usher in a true and lasting peace and build a brotherhood of which we shall not be ashamed. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 691. An act to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of Plancor No. 877 at Baytown, Tex., and certain tank cars.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday to file a privileged report on the appropriation bill for the Department of Agriculture for the fiscal year 1956.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I reserve all points of order on the bill.

INDEPENDENT OFFICES APPROPRIATION BILL, 1956

Mr. EVINS. Mr. Speaker, on behalf of the chairman of the Subcommittee on Independent Offices Appropriations, I ask unanimous consent that the Committee on Appropriations have until midnight Saturday to file a privileged report on the independent offices appropriation bill for the fiscal year 1956.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee [Mr. EVINS]?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I reserve all points of order on the bill.

IN MEMORY AND HONOR OF MITCHELL RED CLOUD, JR.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on Saturday afternoon, March 26, the body of a gallant American soldier will be interred in the soil of his native land. Final burial services will be held on this date for Army Cpl. Mitchell Red Cloud, Jr., in the Decorah Cemetery near Black River Falls, Wis.

It is with a sense of deep humility that I pay respects to the memory of Mitchell Red Cloud, Jr., who was killed in action in Korea in 1950. He was a great soldier as the citation testifies in his posthumous award of the Congressional Medal of Honor. He served our country with honor and distinction in two wars.

Mitchell left high school as a junior in 1941 to enlist in the Marine Corps. During World War II he fought in the Battles of Midway and Guadalcanal. He also served with the famed Carlson's Raiders of the 1st Marine Division.

The strapping young Winnebago Indian who left Jackson County weighing 195 pounds returned to the Indian mission a mere 115 pounds. His impairment in health came about as a result of contracting malaria during his service in the South Pacific. After he recovered his health, he joined the Army in 1948.

When the Korean crisis came to a head on June 25, 1950, with the invasion of South Korea by North Korean troops and our country spearheaded U. N. defense of South Korea, Mitchell Red Cloud's unit was one of those assigned to Korea. Less than 5 months after the outbreak of the Korean war he was killed in action near Chonghyon, Korea, on November 5, 1950.

The official Army citation for the Congressional Medal of Honor—which was posthumously presented by Gen. Omar Bradley to Mitchell's mother, Mrs. Nellie Red Cloud, at the Pentagon on April 3, 1951—eloquently tells the story of Mitchell's bravery on November 5, 1950. Here is the story of this gallant Winnebago Indian's heroism as chronicled in the citation:

Cpl. Mitchell Red Cloud, Jr., Company E, 19th Infantry Regiment, 24th Infantry Division, distinguished himself by conspicuous gallantry and intrepidity above and beyond the call of duty in action against the enemy near Chonghyon, Korea, on November 5, 1950. From his position on the point of a ridge immediately in front of the company command post he was the first to detect the approach of the Chinese Communist forces and give the alarm as the enemy charged from a brush-covered area less than 100 feet from him. Springing up he delivered devastating point-blank automatic rifle fire

into the advancing enemy. His accurate and intense fire checked this assault and gained time for the company to consolidate its defense. With utter fearlessness he maintained his firing position until severely wounded by enemy fire. Refusing assistance he pulled himself to his feet and wrapping his arm around a tree continued his deadly fire until again, and fatally, wounded. Cpl. Red Cloud's dauntless courage and gallant self-sacrifice reflects the highest credit upon himself and upholds the esteemed traditions of the Army of the United States.

Mitchell Red Cloud's body will now rest in land long held by his Winnebago ancestors. He was a credit to our Army, to his race, and to his family. Mitchell's valorous action—which brought death to him in the prime of his life at the age of 28 years—was in keeping with the tradition of his ancestor soldiers.

Mitchell's great grandfather was a fine soldier in the Civil War. His relatives, even though they were not citizens, fought in the Spanish-American War. His father, Mitchell, Sr., was a veteran of World War I, attempted to enlist in the Nation's Armed Forces at the outbreak of World War II. He was rejected because of his age. One of Mitchell's brothers, Randall, was killed during Army maneuvers in 1948. On his mother's side, Mitchell's family has military decorations given to his ancestors by George Washington in 1789.

Mitchell Red Cloud, who gave his life for our country, was the eighth man to be awarded the Congressional Medal of Honor in the Korean war. His name will be forever enshrined in the memory and records of two Wisconsin counties, Jackson and Adams, because two veterans' organization posts have been named after him in his honor.

The United States is free because young men like Mitchell Red Cloud bought our freedom with their lives. It is our duty to make certain that their sacrifices were not in vain.

SPECIAL ORDER GRANTED

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that I may address the House for 60 minutes on Tuesday, March 29, following the legislative business of the day and any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE CHEESE INDUSTRY OF THE UNITED STATES

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, the great cheese industry of the United States should be commended for their positive program of promoting the sale and consumption of American cheese. Cheese is the best food bargain in America today. This important food is being produced under the strictest of sanitary regulations promulgated by the United States Department of Agriculture and the Pure Food and Drug Administration of the Department of Health, Education, and Welfare. The American cheddar, swiss, blue, brick, cottage, cream, gouda, limburger, parmesan, provolone, and all the other varieties of cheese produced in this country have been perfected to the point where they lead the world in taste and quality.

The American cheese industry has embarked on a progressive publicity program to help educate the American consumer to buy from the standpoint of quality. American cheese producers have the best raw materials and production facilities in the world. We must break down the fallacious belief that a trip across the ocean by a piece of cheese in some mysterious way insures a better product than our own country can produce.

The American cheese producers are in favor of, and will continue to promote, the passage of H. R. 252, which provides that no imported cheese would be allowed into this country unless it was produced under the same health and sanitation standards which are required of American farmers and American cheese producers. This legislation is needed to protect the American public from the imports of cheese from abroad produced under unsanitary conditions. I have visited some of these cheese factories abroad and some of the farms where the milk has been produced. I must report that many of these foreign producers would not be allowed to keep their doors open for 5 minutes in this country because they would in no way meet our sanitary requirements.

It is my hope that the cheese industry in the publicity program it has recently embarked upon, will clearly label their cheese as American produced so that our consumers will know that it has been produced under the health and sanitation standards required by the United States Department of Agriculture and the Department of Health, Education, and Welfare. The producers of American-made cheese who try to mimic the foreign wrappings, even to the point of spelling blue cheese "bleu," instead of "blue," are not capitalizing on the high production standards of this country and the superiority of the American product.

The basic fundamentals of blue cheese manufacture are essentially the same in all countries. But there is one large difference, the primary achievement in American production methods has been a quality-control program which assures uniformity in flavor and texture of the domestic product.

So let us not fool ourselves. In the production of the fine cheeses it is not necessary to take a back seat to any country. So why not identify them for what they are—American made, domestic, products produced under all the best advantages of our free-enterprise system.

For if our cheese industry is to progress, it must do so under its own name. And surely the identification of any product labeled "American" insures the potential purchaser of a product of the highest quality made under the highest standards in the world today.

PHILIP W. PORTER PREDICTS EISENHOWER NOMINATIONS BY ACCLAMATION AND LANDSLIDE VICTORY IN 1956

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, we have in Cleveland a very fine newspaper, the Cleveland Plain Dealer. It has a very large circulation through our part of Ohio, in fact all through Ohio and the northern section of the country. One of its best reporters—and they are all good ones—Philip W. Porter, is a former political editor and presently Sunday editor of the well-known and widely circulated Cleveland Plain Dealer. During the war he was a lieutenant colonel in the Air Force and served in Africa, England, and France.

In 1950 Mr. Porter was one of the first writers to predict the Republican nomination and election of President Eisenhower. His splendid column of evaluation which appeared in the Plain Dealer of February 26 is so worth reading that I insert it herewith:

PORTER ON EISENHOWER—WRITER IS HAPPY TO SEE ANALYSIS OF IKE AS PRESIDENT HAS PROVED SO RIGHT

(By Philip W. Porter)

An objection often heard in 1950 and 1951, when Ike Eisenhower was first suggested for President, was, "We don't want a general in the White House." The implication was that such a type might rush us into war and would surely favor the expensive military point of view over the civilian. Events have proved such objectors couldn't have been more wrong.

I well remember telling them they underestimated the man, that though he wore five stars he did not think like a military brass hat and was not an unbending hardnose; that he had remarkable qualities as a diplomatic coordinator of rival, jealous forces; and extraordinary perception of the right thing for the public, because he was human and reasonable.

He might have trouble being nominated, I said, because others wanted it badly and they couldn't see that he would have a superpartisan appeal, cutting across party lines and winning the confidence of seldom interested independents. But further, I contended, once elected, he'd be an even better President than a candidate, would know instinctively how to deal with the cold war and stop inflation, and be a unique political figure.

OVERRULED RIDGWAY

I'm happy to see that this analysis proved so right. It was never better illustrated than in the last few months. He kept us out of that trap in Indochina. He stopped the fighting in Korea. He kept his shirt on about the Russians, but insisted that Western Europe get together for defense. He maintained our military strength at a high level, but cut the Army down a little in numbers. He refused to panic into a spending spree when some unemployment developed last year.

Perhaps the best illustration of his attitude as a president came when he overruled his old friend, Gen. Matt Ridgway, by saying Ridgway represented a special or parochial point

of view about the number of troops necessary, but the President had to look at the overall picture. Had he been the "general" type he'd have given Ridgway the moon.

The fact is that ex-General Ike is determined to keep this country out of war and to try to lessen the tensions that sometimes build up toward a war. No President could prevent war, of course, if the Russians or Chinese should insanely attempt another Pearl Harbor on us, but it takes a pretty wild imagination to figure them doing that, when you consider what would happen to them. His attitude is to remain strong, not take any shoving around, but try to face reality.

Some thoughtless jingo types appear to want us to fight an offensive war in behalf of Chiang Kai-shek or Syngman Rhee, when both obviously represent lost causes. A big majority of people here want no part of that.

Ike's popularity has never seriously slipped, though it went down a few notches last summer and fall when the recession was hurting in some areas. But when he pitched into the congressional campaign, he cut the normal off-year losses to a minimum. And today his Gallup poll rating is higher than when he beat Adlai Stevenson in a landslide.

DOUBTS ADLAI WILL TRY

About as close as you can come to a sure thing is that Ike will be nominated by acclamation for a second term and will feel it his duty to accept, and that the Democrats will simply choose another victim. For that reason, I have serious doubts that Stevenson will sacrifice himself again, he can afford to wait until 1960, when Ike won't be in the picture, and the Democrats have a good chance of winning. Let a minor-league publicity seeker take the beating in 1956.

Only a serious depression could change this picture, and who sees that in the next 18 months? An unexpected big war could also louse things up, but that, too, seems unlikely, despite the growling of the Communists for local consumption.

A good guess is that Ike will continue to the end of his tenure of office at a high level of popularity, as Franklin D. Roosevelt did, keeping the opposition off balance, winning close ones whenever he chooses to go to the people and being generally beloved till the last. Politicians, both Republican and Democrat, will never completely understand him, for his political sense is instinctive and intuitive, and he never pretends to be other than himself.

THE INDEPENDENCE DAY OF THE GREEKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, to the men of the West and to free men everywhere Greece stands for a number of things. We all generally consider her not only the birthplace and the cradle of western civilization but in Greece the ideas of freedom, liberty, and independence were thought out, formulated, and widely applied in practice more than 2,000 years ago. The Greeks were among the first of the ancients to appreciate the real worth of these ideas and to fight bravely for their realization.

In the course of time, however, the ancient Greek states proved unable to preserve their independence against overwhelming odds and by stages they were conquered by the Romans. Eventually, in the 15th century, Greece fell to the Turks. Thus, by the beginning of the modern period in world history, while many of the noble Greek concepts of political life and philosophy had taken firm roots in European thought, Greece, herself, was trampled under the conqueror's heel. All Greece, including Athens and Constantinople, was overrun and the people were subjected to the harsh rule of the Turks. The Greeks tried to shake off the foreigner's yoke and regain their freedom, but they were not successful in their attempts. For more than 400 years, until the early twenties of the 19th century, they had to wait for the opportunity which was to bring them freedom and national independence.

The Greek Independence Day, whose 134th anniversary is being observed today, not only recalls to our minds the achievement of Greek national freedom, but it also reminds us of the great political and philosophical ideas contributed by the Greeks of old which have since become part and parcel of our western heritage. We in this country sometimes take for granted the fact that freedom and liberty are man's birthright and he cannot and should not be deprived of them. But that is not so in many other countries of the world even today. It was not so in many parts of the world when, almost a century and a half ago, a group of brave and patriotic Greeks unfurled the flag of revolt on the shores of Northwestern Greece and followed their intrepid bishop in his defiance of the Ottoman Turks.

That daring deed by a handful of patriots was the beginning of a series of historic events which culminated in the independence of Greece. Today in commemorating that great event, we pay tribute to the memory of all those who gave their lives gladly for the cause of Greek independence. I hope that the hard won and bravely defended national independence of Greece will endure in peace and prosperity.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 30]

Bell	Dawson, Ill.	Maillliard
Bolton, Oliver P.	Diggs	Moulder
Boykin	Dingell	Powell
Byrd	Eberharter	Preston
Canfield	Green, Pa.	Prouty
Cannon	Gubser	Sadlak
Celler	Hébert	Shelley
Chiperfield	Hess	Udall
Christopher	Knutson	Yates
Coudert	McDowell	
	Madden	

The SPEAKER pro tempore. On this rollcall 394 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

SPECIAL ORDERS GRANTED

Mr. PRICE asked and was given permission to address the House for 15 minutes on Monday next, following the legislative business of the day and any special orders heretofore entered.

Mr. McCONNELL asked and was given permission to address the House today for 15 minutes, following the legislative business of the day and any special orders heretofore entered.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1956

Mr. KIRWAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

Pending that I ask unanimous consent that general debate be limited to one hour and a half, the time to be equally divided and controlled by myself and the gentleman from Iowa [Mr. JENSEN].

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5085, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement, the gentleman from Ohio [Mr. KIRWAN] will be recognized for 45 minutes and the gentleman from Iowa [Mr. JENSEN] for 45 minutes.

Mr. KIRWAN. Mr. Chairman, I yield myself 20 minutes.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. KIRWAN. Mr. Chairman, this bill was reported to the full committee this week. It was a unanimous report. It was thoroughly discussed and considered in the committee.

Last year I said that if in the next bill they cut any more money out of the Interior Department there would be no Interior Department. They have now taken power and reclamation out of this bill and out of this subcommittee. There is not much left in it. I am glad to see that power and reclamation are in the proper subcommittee, Public Works.

The budget asked for $313,353,056.

The total appropriations as recommended by the committee are $298,271,246. The cut is $15,081,810, which is about 4.8 percent.

As shown on page 2 of the report the revenues of the Department in 1956 will exceed the total of the appropriations recommended in this bill by over $17 million. So I am asking today that no attempt be made to do any cutting.

I am also able to report here today, I think for the first time since this Government was founded, that we have finally gotten around to keeping our word with the Indians, the true Americans, let us put it that way. In the hearings on this bill the head of the Indian Bureau said they would put every Indian child that wants to go, into school this year. I am happy to make that report to the Congress.

We have about 400 ironclad contracts and agreements with the Indians, and I think this is the first time in 150 years that we have fulfilled those on schooling.

The health activities for the Indians have been transferred over to the proper department, the Department of Health, Education, and Welfare.

So, there is nothing much left in the bill except the forests and the soil. But that is America, that is where our wealth lies. It lies in the soil and on the soil of this great country of ours. I would like to see one or two billion dollars more in this bill to be spent for a nation we have robbed for the past 300 years, while we have spent very little in return.

You can get on a train at the Union Station down here and after you pass Silver Spring you will come to the farms, and you will notice the erosion, the creeks, the water taking the topsoil, rushing it down into the Potomac River and on to the ocean. When I say that exists here, you will find that in almost every part of the country.

We are spending only a fraction of a penny per acre to help save our great land from going into the ocean—that is, a fraction of a penny per acre of land that the United States owns.

There is only $298 million in this bill. Very little was cut out of the bill. We did not even cut out one automobile. We did take $15 million out of construction programs, particularly Alaska, not that we deprived them of anything, but they had obligated balances of $19 million in the public-works program, for example, and we told them to spend some of that and not come in asking for any more. But the bill, as I stated, has not been cut to any extent. I again repeat, my only regret is that they did not come in and ask for a couple of billion dollars to be spent on this country.

Mr. Chairman, that is all I care to say about this bill. I hope it passes.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, I would like to express my appreciation and gratitude to the subcommittee for an item appearing on page 9, where the budget proposed to cut the appropriation for fire control on State-owned and privately owned forests. I want to commend the comittee for restoration of that fund back to the same amount it was for the past fiscal year.

May I say to the gentleman and to the committee that this section of the country has been plagued for some 3 or 4 years with long continued droughts. The 1954 report shows that 315,000 acres of privately owned and State owned lands were burned over. These State-owned and privately owned forests surround the great Monongahela National and George Washington forests and any extensive fires in those privately owned forests constitutes a great hazard to a very valuable asset of our Government, which is a forest 50 or 60 years old. It is quite valuable.

So I want to commend the committee for restoration of those funds to match the funds of private individuals and the several States in controlling forest fires on privately owned and State owned forest lands.

Mr. KIRWAN. I thank the gentleman.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. I should like to refer to page 8 of the report with reference to the Forestry Service. I notice in the report it is stated:

> Within the budget estimate increases have been provided as follows:
>
> (1) $800,000 for increasing timber sales which will result in estimated revenue increases of $10 million during the fiscal year 1956.

This $800,000 additional funds is for the particular purpose of increasing timber sales within the Forest Service, is that right?

Mr. KIRWAN. Yes.

Mr. HARRIS. What is the total amount available in the budget for this purpose?

Mr. KIRWAN. I will let the gentleman from New Jersey answer that.

Mr. SIEMINSKI. Thirty-one million dollars.

Mr. HARRIS. I notice the entire budget is only $49 million. Do you mean by that that $31 million of the total is for marketing timber?

Mr. SIEMINSKI. For the management of timber, we have $6,800,000.

Mr. HARRIS. But the point I wanted to make here is that this is an additional increase.

Mr. KIRWAN. The gentleman is interested in timber, and timber alone; the cutting of timber?

Mr. HARRIS. At this particular point, and the point I wanted to make is by appropriating $800,000 we bring into the Treasury of the United States an additional $10 million. Is that not right?

Mr. KIRWAN. That is right.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Michigan.

Mr. DONDERO. On page 6 of the report there is an item of $6,650,000 for the management of fish and wildlife. Is there anything in that $6.5 million to study the question of the elimination and destruction of fish in the Great Lakes?

Mr. KIRWAN. The lamprey eel?

Mr. DONDERO. Yes.

Mr. KIRWAN. Yes; there is $150,000. It was $350,000 last year. Now, the Department in its wisdom cut it down to $150,000, because they are working on an agreement with Canada that has been submitted to the Senate that they think will be considered about the first of April. They have come to a complete understanding. Then they will know what to do with the bill when it goes over to the Senate, when they have their hearings.

Mr. DONDERO. Does Canada come in and contribute an equal portion of the money to study this question with the United States?

Mr. KIRWAN. That is a study going on with Canada now in regard to the Great Lakes to help eliminate the lamprey eel.

Mr. DONDERO. I am very greatly interested in that subject, because the fish in the Great Lakes are being destroyed.

Mr. KIRWAN. They are. Like the gentleman, I am also interested in destroying the lamprey eel.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. The gentleman will remember I had the privilege of appearing before his subcommittee in behalf of the control of the lamprey eel. I know the gentleman has been as historically concerned with that problem as have I. Might I ask the gentleman if the gentleman is thoroughly satisfied that attention will be paid to this problem in the Senate and that the item will be put in the appropriation at that time?

Mr. KIRWAN. If they do not pay any attention to it in the Senate, I can tell the gentlewoman right now that I will make the request personally and take it in myself.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to our distinguished friend from Texas.

Mr. RAYBURN. It appears that for the first time I have seen the Forest Service in an appropriation for the Department of the Interior. Is that correct?

Mr. KIRWAN. That is correct.

Mr. RAYBURN. Well, I was wondering if in somebody's mind this is an entering wedge to transfer the Forest Service from Agriculture to Interior. If it is, I certainly would regret it deeply, because I think this is a function of the Department of Agriculture and not a function of the Department of the Interior to look after our Forest Service.

Mr. KIRWAN. All I know, may I say to the gentleman, is that appropriations for the Park Service, Land Management, and the Forest Service should all be together. That is the only way you are going to find out if there is any overlapping between the agencies administering our public lands.

Mr. RAYBURN. I am interested in seeing that the Forest Service is not transferred from Agriculture to Interior.

Mr. HARRIS. Mr. Chairman, if the gentleman will yield, I am wondering if there is probably not a misunderstanding. The gentleman does not mean that the Forest Service has been taken from the jurisdiction of the Department of Agriculture and placed in the jurisdiction of the Department of the Interior. It is only within the appropriation organization here, is it not?

Mr. KIRWAN. Yes. We are appropriating both for the Department of the Interior and for other related agencies,

including the Forest Service of the Department of Agriculture.

Mr. HARRIS. If the gentleman will yield further, does the gentleman mean by that that the Subcommittee on Appropriations for the Department of the Interior now has jurisdiction over the appropriations for the Forest Service?

Mr. KIRWAN. Yes.

Mr. HARRIS. But the administration of the Forest Service is still in the Department of Agriculture.

Mr. KIRWAN. Yes, but we are just talking about the appropriation for the Forest Service now.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. EDMONDSON. As I read the item on page 3 of the report, Education and Welfare Services, Bureau of Indian Affairs, the question arises in my mind as to whether or not this item will take care of the contract obligations of the United States Government under the Johnson-O'Malley Act.

Mr. KIRWAN. It is expected that it will take care of them all.

Mr. EDMONDSON. It will take care of them fully in the States?

Mr. KIRWAN. Yes.

Mr. EDMONDSON. May I say that I deeply appreciate the language here indicating that substantially all of the Indian children in continental United States who are eligible and willing to avail themselves of schooling will be in school during the fiscal year 1956, if this money is appropriated.

Mr. KIRWAN. That is correct.

Mr. EDMONDSON. That is certainly a matter to which I think Congress should devote its attention and interest, and I am glad to see this expression of the committee as well as the funds that are provided for that purpose. I congratulate the committee upon its concern with this urgent problem of education of our Indian children.

Mr. KIRWAN. I thank the gentleman from Oklahoma.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. METCALF. I, too, want to add my commendation to that of the gentleman from Oklahoma [Mr. EDMONDSON] for the splendid work that this committee has done on behalf of the Indians.

However, I wish to pursue the question raised by our distinguished Speaker and by the gentleman from Arkansas [Mr. HARRIS] as to the effect of this transfer of the Forest Service appropriation to the Interior subcommittee. As I understand, that is merely a means by which the Committee on Appropriations can handle the appropriation and is not an entering wedge for the transfer of the Forest Service itself to the Department of the Interior in the executive branch.

Mr. KIRWAN. That is correct.

Mr. EDMONDSON. I should like to ask further how the appropriation request is submitted by the administrative agency. Does the Forest Service have to go through the Secretary of the Interior to submit the request to the Interior subcommittee, or do they submit their request through the Secretary of Agriculture?

Mr. KIRWAN. They submit their request through the Secretary of Agriculture and the Bureau of the Budget.

Mr. HARRIS. Mr. Chairman, will the gentleman yield on that point?

Mr. KIRWAN. I yield.

Mr. HARRIS. That is what was confusing to me. I had understood, when our beloved Speaker raised the question a few moments ago, that this was a bill making appropriations for the Department of the Interior. But I notice that it says also "and related agencies." Does the gentleman and his committee bring to the House the idea that the Forest Service of the Department of Agriculture is a related agency to the Department of the Interior?

Mr. KIRWAN. That is correct. The gentleman from Ohio is not taking anything away from the Department of Agriculture.

Mr. HARRIS. I appreciate that. I should like to say that on page 28 of the bill there is the item of appropriation for the Forest Service, and it comes under the head of the Department of Agriculture and not the Department of the Interior; that is correct, is it not?

Mr. KIRWAN. That is correct.

Mr. METCALF. If the gentleman will yield for a moment, then it goes directly to the Department of Agriculture and does not have to be administered through the Department of the Interior.

Mr. KIRWAN. It goes directly to the Forest Service.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. MAGNUSON. To answer the gentleman from Montana [Mr. METCALF] I would say that the appropriation proposals for the Forest Service do not come through the Department of the Interior. The Forest Service at the top was represented at the hearing by an Assistant Secretary of Agriculture. I am sure that the Forest Service requests are not channeled through the Department of the Interior in any way. The reason this committee held hearing on and considered the appropriation for the Forest Service was that that function was assigned to it by the chairman of the Committee on Appropriations with the concurrence of the committee itself.

Mr. METCALF. I thank the gentleman.

Mr. KIRWAN. The Department of Agriculture had nothing to do with it.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. ALBERT. I want to join my colleague, the gentleman from Oklahoma [Mr. EDMONDSON] in commending the committee on what it has done in the field of Indian education and to add that it would have been done a long time ago had it been left to the gentleman from Ohio [Mr. KIRWAN] who has consistently been one of the best friends in America of the original American.

Mr. KIRWAN. I thank the gentleman.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Pennsylvania.

Mr. FENTON. In justice to the very distinguished chairman of our subcommittee, the gentleman from Ohio [Mr. KIRWAN], I would like this body to understand that he certainly did not seek to have jurisdiction over appropriations for the Forest Service in our committee. It was handed to him and he had to take it.

There are a lot of things going on around here that do not meet with the approval of a good many. For instance, in the revamping of the jurisdiction of the various subcommittees of the Appropriations Committee we had Bonneville power taken from us, we had the Southeastern and Southwestern Power Administrations taken from us, we had the great Reclamation Bureau taken from us. If it were not that the Forest Servive had been placed under our jurisdiction, I do not know what we would have had to take care of.

We appreciate the Forest Service coming to us. It is a very fine service. The presentation to our committee was very fine both from the administration downtown and the various Members of Congress. We had a very fine hearing. Our only hope is that we may prove just as fair in our dealings with the Forest Service and to the Members as the other committee was that had it previously.

Mr. JOHNSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. JOHNSON of Wisconsin. We heard quite a little in the last session of Congress in regard to the $2 duck stamp money. I believe the extra dollar was supposed to go for refuge purposes. There was complaint a year ago that most of this money was used for enforcement, and would be used in the Department for enforcement, which left no money to be used for the purpose of refuges. Is that matter taken care of better in this bill than a year ago?

Mr. MAGNUSON. If the gentleman will yield, I understand that about $11 million was taken in through receipts from the duck stamp fund, part of which would be used for refuges.

Mr. JOHNSON of Wisconsin. There was complaint a year ago, and I think the gentleman from Montana [Mr. METCALF] endeavored to increase the appropriation for enforcement. Is that not true?

Mr. METCALF. A year ago I attempted to secure an amendment to provide that all of the duck stamp money from the increase of the duck stamp from 1 to 2 dollars would be used for the purpose for which it was originally designed, that is, the purchase of wild fowl refuges, and not used for administration. The gentleman from Wisconsin [Mr. JOHNSON] has a bill in the Marine and Fisheries Committee to earmark these funds and accomplish the purpose I sought last year. I requested that this body increase the appropriation for administration, which should be paid out of the regular taxpayers' revenue. I have examined this bill and I feel that this bill in making the appropriation has followed out the intent and

purpose of the Duck Stamp Act to set aside adequate money for the purchase of wild fowl refuges and at the same time make sufficient appropriations for the administration in the Department. The specific legislation to earmark these funds should be enacted to permanently provide that the funds be used for the purpose for which the law was enacted.

Mr. KIRWAN. I thank the gentleman.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. RHODES of Arizona. As the gentleman is aware, there has been a program whereby Indians in reservation who desired to relocate to get jobs in industry were given some aid by the Indian Service. Is this program to be continued, and how much money is appropriated for it?

Mr. KIRWAN. The service is going to be continued.

Mr. RHODES of Arizona. There was sufficient money appropriated?

Mr. KIRWAN. Yes.

Mr. RHODES of Arizona. I compliment this committee on its interest in the problems of the Indians, particularly as regards the education of the Indians. I notice that a considerable amount of money in excess of the amount appropriated before is now appropriated. I assume that will also take care of the project involved near the Navaho Reservation for educating Indian children in the communities surrounding the Navaho Reservation.

Mr. KIRWAN. It will be done.

Mr. DONDERO. Where did these items go which were taken away from your subcommittee? To what committee have these agencies gone?

Mr. KIRWAN. To the Public Works Subcommittee.

Mr. DONDERO. That is, the gentleman means, the committee handling appropriations for civil functions and public works.

Mr. KIRWAN. Yes, and for power and reclamation.

Mr. CARNAHAN. There is an increase of $750,000 for fire protection in certain selected forests, and there is a reduction of $750,000 in the emergency fire fighting fund. What is the justification for moving that appropriation from the general emergency fund over to certain selected forest areas?

Mr. KIRWAN. They try to put the money there where it can be used in the best way by the people who know best about it. That is all set forth in the hearings. Sometimes they come in for a supplemental appropriation. They just do not know how much money will be needed for that work.

Mr. CARNAHAN. Then those in charge of the emergency fund can come back for a supplemental appropriation and ask for an additional amount?

Mr. KIRWAN. Yes, they can ask for money to carry on their work.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. MAGNUSON. This increase of $750,000 for fire prevention is in a sense supplemental in that it will be used in fire prevention work as contrasted to fire fighting. As I recall, there are nine specific national forests to which it will be applied in the hope that they can improve their techniques and in the belief that they can save more by preventing fires than by fighting fires after they have started.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. ASPINALL. I, too, wish to join my colleagues in commending the chairman and his committee for the fine work they have done, and I especially wish to join with the chairman in his wish that we might have more funds to spend in conservation work, protection, and development of our natural resources. I have one question, Mr. Chairman, and that has to do with the appropriation made for the Bureau of Mines in its synthetic fuels program. As I understand the appropriations provided in this bill, there is no appropriation for the continuance of the work at the oil shale demonstration plant at Rifle, Colo.

Mr. KIRWAN. The Department proposed in the budget that the Rifle plant be shut down, but I think now they are discussing whether they will continue it and ask for a supplemental. Since the hearings, they have had a cave-in in the mine out there, and they have learned something about it and are going to take their information either to the other body or take it up in a supplemental appropriation.

Mr. ASPINALL. In other words, this new development at the place of operations will more than likely mean that the whole problem will be considered later.

Mr. KIRWAN. Yes, the new development will probably be taken up in the bill.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. SISK. Mr. Chairman, I wish to commend the gentleman from Ohio. I particularly want to call attention to the item of $200,000 for watershed protection and research work and $200,000 additional for sanitary facilities. I feel that these are sums which are certainly needed, particularly in areas in my State. I wish to commend the committee on adding those items.

Mr. KIRWAN. I thank the gentleman.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. KNOX. Would the gentleman enlighten us as to what program the Fish and Wildlife Service has for control of the lamprey eel with the $150,000 which is in the budget today?

Mr. KIRWAN. They are going to maintain the program with the $150,000. I know that they will continue to try to get rid of the eel somehow. I stated, when I started to talk, that they cut it from $350,000 down to $150,000. That was the budget request. That is until they have this agreement with Canada and then they will continue as usual to find the best ways and means to get rid of the lamprey eel.

Mr. KNOX. I understood the $150,000 was to continue the control program without any expansion, and that was dependent upon the possibility of a compact between Canada and the United States, joining in one effort.

Mr. KIRWAN. Yes.

Mr. KNOX. That will have some consideration when the other body considers the bill?

Mr. KIRWAN. Yes. Mr. Chairman, in closing I want to say that the public as well as the Members of Congress have displayed a great deal of interest in this appropriation bill as is evidenced by the questions they have asked.

Mr. JENSEN. Mr. Chairman, I yield myself 20 minutes.

Our committee recommends appropriations for a score of very important Government functions. For instance, research in utilization of saline waters. This is the third year we have appropriated for this purpose the sum of $400,000 each year. That is to make research into desalting and demineralizing water. Many towns, in fact most every town in the country, are interested in the demineralization of water. Many towns along the seaboard are very much interested in the desalting of sea water for commercial and home consumption.

I am happy to report that great progress is being made in this program. I predict that within a few years we will have perfected a process which will desalt ocean water economically for commercial and home use, and for demineralizing brackish water for home consumption, and to make it more suitable even for irrigation.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I will be glad to yield to the gentleman from Colorado.

Mr. ASPINALL. I wish to commend the gentleman and the members of the committee for the statements made relative to the research program, in trying to make potable waters out of brack and saline waters. The committee having jurisdiction of the authorizing legislation has again heard from those who have been doing the work, and they feel that the work that has been done has been very successful to date. There will be a request to continue the authorizing legislation for a few more years. To know that the committee that does the appropriating feels kindly to the work and that there may be results that will be beneficial for the whole Nation, is certainly gratifying to the committee of which I am a member.

Mr. JENSEN. I thank the gentleman.

Then we are here today appropriating for the Office of Mineral Mobilization and for the Bureau of Land Management. We have an increase above the current year for the Bureau of Land Management in the amount of $1,137,000, which will permit the Bureau of Land Management to expend more money for soil and moisture conservation on our public domain which is so sorely needed to protect our priceless topsoil on which we and coming generations must depend to produce an adequate supply of food, feed, and fiber.

I have for many, many years urged the Department of the Interior to request more funds for soil and moisture

conservation on our public domain, because the great destruction that is being wreaked by wind and floods, because of the lack of proper funds to conserve our soil and our forests is nothing less than criminal. This committee generally allows more money than the budget requests for this purpose. We did not do it this year, because not only the Bureau of Land Management, but also the Indian Service, have requested more funds than they have had in previous years. The Indian Bureau requested $1 million more for soil and moisture conservation. So we did not raise the budget request in this bill.

Now, I want to talk a little about the Bureau of Indian Affairs. Two years ago Glenn Emmons, of Gallup, N. Mex., was made Chief of the Bureau of Indian Affairs, a man very familiar with the Indian problem, since he has lived among them most of his life. He came before our committee last year and said: "If you will give me what I ask in the way of appropriations"—and they were not at all out of line—"I will put all of the more than 14,000 Navajo Indian children of school age who had never been in school, in school in the next 2 years." We did not believe anyone could do that, because the job had been messed up so badly for a hundred years, or thereabouts. Every chief of the Bureau of Indian Affairs, up until Mr. Emmons, would ask Congress for more and more appropriations each year to put these children in school, only to have the condition get worse and worse as time went on. This year, Mr. Emmons is putting over 8,000 of these Navajo children in school and he will finish the job this coming year, one of the finest records ever made by a public servant; and he is doing it for about one-third the cost of what the former bureau chiefs said it could be done for. I am very proud of him, every member of the committee is proud of Mr. Emmons. He deserves much commendation.

Then we have the Geological Survey, which is another important branch of the Interior Department. It also is being run in a businesslike manner. We have high regard for the officials of that Bureau. The Geological Survey offices are scattered in about 20 buildings throughout Washington with all their important papers, important maps, and valuable machinery housed in firetraps. We have included in this bill $200,000 for plans and specifications for a new building for the Geological Survey, which is badly needed.

The Bureau of Mines is an important branch of government. The gentleman from Pennsylvania [Mr. FENTON], has been very active in seeing that the Bureau of Mines is properly administered with the funds Congress appropriates.

The committee is in agreement as to the amount of funds requested in this bill. In my opinion, the committee has done a good job. This is a very interesting committee of the Congress because, we appropriate only for America, we appropriate for those things that makes America a pleasant and wonderful place in which to live, by the conservation of our God given natural resources.

Let me refer for a moment to the National Park Service. I am sure many of you read an article by a man named Stevenson which appeared in one of our leading magazines some time ago in which he told all about the conditions that exist in our national parks. He made the Congress look pretty bad in that article. The facts are that the Congress has in the past 10 years appropriated about 4 times as much money for the national parks than we did 10 years ago. He did not tell the whole story as to why these concessions and facilities in the various parks were in the condition they are. Facts are they are not quite as bad as he would lead you to believe, but I will admit they can stand a lot of improvement.

A few years ago we had an Assistant Secretary of the Interior in charge of parks who had a great scheme by which he proposed to finally take all of the private concessionaires' business away from them and make them all Government-owned. He scared the concessionaires to death. Many of them have millions of their own dollars invested in the facilities in our national parks. Their season lasts only 4 months a year. You wonder how they can make both ends meet. What happened? Naturally these concessionaires dared not expend a lot of their money to improve the facilities in the parks in face of a threat that their property would be taken away from them. So they quit spending money for improvements. That is one thing Mr. Stevenson failed to mention in his article. I am happy to report today that the National Park Service of the Department of the Interior is now making long term contracts with concessionaires, and the concessionaires who have signed these contracts with the National Park Service have agreed to make extensive improvements and to expand their facilities to the degree that the business will warrant.

Mr. Chairman, I give you facts because that story, while to a very great extent it was correct, it did not tell the whole story. I want the Congress and the country to know the facts and the whole story. Forest Service, I have previously spoken on that subject.

Mr. SCUDDER. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from California.

Mr. SCUDDER. The gentleman made a very fine statement regarding the work of his committee in developing a proper budget for the encouragement of the harvesting of some of our over-ripe timber. On page 8 of the report I see where you augment the amount for increasing timber sales as set forth in the budget by $800,000. I appreciate that very much, because I know of the undercutting of our national forests to a sustained yield limit, and by this act you are saving the Federal Government some $10 million, at least, in stepping up the sale of Federal timberlands. I appreciate very much, coming from a timber country, the fine job you have done in this committee in speeding up the sale of this Federal timberland which is putting money into the Federal Treasury in doing so.

Mr. JENSEN. I thank the gentleman. I can assure him we are taking great interest in the matter.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I am pleased to yield to the gentleman from California.

Mr. TEAGUE of California. I would like to express my appreciation on behalf of the district I represent in California for the item relating to the continuation of $400,000 to be spent on desiltation. That is extremely important. I have 400 miles of coastline bordering an area which is seriously short of water. This is a most worthwhile bit of development and research, and I know great progress has been made, and I am hopeful that more will be.

Mr. JENSEN. I thank the gentleman.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Minnesota.

Mr. WIER. I have listened with interest to your remarks in regard to the deterioration, as has been charged, of our National Park Service. The gentleman dwelt at considerable length on the concessions in our national parks. It has come to my attention, in three different parks that I visited the last few years, that that was not what seemed, apparently, the worst evil that existed in the national parks. The thing that was pointed out to me was that rather serious damage was being done because of the cutback a few years ago in the ranger service, in the guide service, that protected the property, and the facilities, like restaurants, and all of that were cut to a great degree.

Mr. JENSEN. At that time America was at war, and first things must come first. Of course, the committee and the Congress and every thinking person in America would like to spend a lot more money for a lot of different things to make things more comfortable and a little more convenient for the people of America, but there are times when we simply cannot spend as much money for such things as we would like. We had over 12 million Americans in uniform. We were spending billions to win the war, and we have spent billions every year since then to make sure we are strong militarily. So, naturally we cannot spend all the money you want to spend for many purposes. I ask you, "Where are we going to get the money?"

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Kansas.

Mr. AVERY. Referring back to the appropriation for the Bureau of Land Management, just by way of clarification, as I understand this would be just to implement the conservation measures on the public domain.

Mr. JENSEN. That is right.

Mr. AVERY. It would not in any way interfere with the administration of the Soil Conservation Service?

Mr. JENSEN. Oh, no. They work in complete and full cooperation with the Soil Conservation Service.

Mr. AVERY. I am very happy to hear that, and I would like to commend the committee. For those of us who have been trying to sell soil-conservation programs on the farm, it has been kind of hard to make it stick, and we look at the national domain that is probably eroded and has been neglected longer than any other. I think it certainly is a step in the right direction.

Mr. JENSEN. I thank the gentleman.

Now I want to talk about the Victory Monument at Yorktown, Va. I think it was in 1942, when lightning struck that monument. The figure on top of the shaft was destroyed and the shaft was badly damaged also.

A contract was let to one of the greatest sculptors in America, Oskar Hanson, for a new beautiful appropriate figure. Last year Congress appropriated $15,000 for the National Park Service to hire competent engineers to determine whether or not the shaft was strong enough and safe to support the new figure which weighs many tons. The engineers made their report. They found that the shaft was in an unsafe condition, without considerable reinforcement from top to bottom. Also there is a controversy between the Park Service and the sculptor as to the amount the sculptor should be allowed for the new figure. The first contract called for a figure smaller than the one that the sculptor was finally asked to make, but he did not get an amended contract in writing. I hope the Park Service and Mr. Hanson will be able to agree and that a satisfactory price adjustment will be agreed on, the figure put in place, and Mr. Hanson treated equitably and fairly by his Uncle Sam.

The new figure for that great historical landmark at Yorktown is a beautiful figure. I have seen it. It is one we will all be proud of. Now they are talking about running a cable down from the top of the figure and anchoring it in the ground, in an effort to hold the old shaft together. I wish more people would interest themselves in our wonderful historical landmarks.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. HOEVEN. I note on page 9 of the committee report an appropriation of $10,686,690 for State and private forestry cooperation. That is an increase of $1,083,690 above the budget request.

Mr. JENSEN. Yes.

Mr. HOEVEN. Is any part of that money earmarked for specific States, or does it have general application to all the States?

Mr. JENSEN. There are States that have earmarked funds, but those States are the so-called forest States. We allow this overall fund that we appropriate each year from which an allocation of funds is made to the different States, according to need, by the Forest Service.

Mr. HOEVEN. And under that provision the State of Iowa will receive its proportionately full share of the appropriation?

Mr. JENSEN. I am sure it will, and if it does not I think both the gentleman and I and the rest of the Iowa delegation will have something to say about it.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. WOLVERTON. I wish to take this opportunity of commending the gentleman and the members of the committee for the very great care and consideration they have given to the several matters that came to their attention in the consideration of the appropriations in this bill. Some were large and some were small. Southern New Jersey agriculturists were interested in a rather small matter from a comparative standpoint but yet an exceedingly important matter, it was given consideration by the committee. The committee has been very helpful, and I wish to commend the committee for the attention that they gave.

A situation exists in southern New Jersey and the State of Delaware along the Delaware River that is extremely serious in its effect upon the farmers of that area. It arises from the great number of blackbirds which infest the area at certain seasons of the year. The flocks are so great it darkens the sky at times. I understand the figure would run into the thousands and, in fact, it would seem millions of these birds concentrate in this area. They settle on the crops, particularly corn, of the farmers in this area and destroy them. Committees have been appointed and efforts have been made to remedy the situation, but it cannot be done by local sources alone. It requires Federal aid.

Last year provision was made by this committee to have the Fish and Wildlife Service attack the problem. The wildlife service has rendered assistance and so has the State. I greatly appreciate the interest in the matter that has been taken by this committee in providing an appropriation of $10,000 for continuing this work.

Congressman JENSEN is familiar with the situation because last year he was able to help us get aid through the Fish and Wildlife Service. Our farmers and agricultural interests are desperately in need of a continuation of the study. They need help. I am certain the Fish and Wildlife Service will confirm all that I have said as to the great damage that is being done, both on the New Jersey and Delaware sides of the river.

As part of my remarks I wish to include a report of investigations of corn depredations by Blackbirds in the lower Delaware River Valley during 1954. This report was prepared by Robert T. Mitchell and John T. Linehan of the United States Fish and Wildlife Service.

It reads as follows:

INVESTIGATIONS ON CORN DEPREDATIONS BY BLACKBIRDS IN THE LOWER DELAWARE RIVER VALLEY DURING 1954

(By Robert T. Mitchell and John T. Linehan, U. S. Fish and Wildlife Service)

INTRODUCTION

This report primarily covers results of research on the blackbird problem during the period July to December 1954. Limited reference is made, however, to research findings of the United States Fish and Wildlife Service, obtained during the growing season of 1953 and to life history information obtained by bird observers in the past.

The area subject to serious blackbird attack includes much of southern New Jersey, Delaware, and the Eastern Shore of Maryland. These investigations have been restricted to the portion of this area bordering the Delaware Bay and lower Delaware River. Studies in Delaware have been made from Little Creek, Kent County, north to Wilmington, New Castle County, and in New Jersey from the southwestern tip of Gloucester County through Salem and Cumberland Counties to the northwestern corner of Cape May County.

BIRDS INVOLVED AND THEIR MOVEMENTS

Blackbird species doing the greatest damage to corn are the eastern redwing, purple grackle (crow-black), and cowbird. Damage by the bobolink (reedbird), also a blackbird, is negligible.

Redwings are present in this area throughout the year. Records kept for many years by bird observers show that males arrive at nesting grounds late in February and early March, several weeks before females, and that nesting occurs in May and June, most of the young being out of nests by mid-July. Surveys of marshlands throughout the area from July 8 to 22 revealed that most redwings still on breeding grounds at that time were in family groups, and that practically all of the young had left their nests. Before the middle of July, large flocks, mostly of adult males become evident. These first flocks feed mainly in recently harvested grain fields, since only the earliest sweet corn plantings have reached a vulnerable stage at that time. Recovery records of banded birds indicate that some of these redwings have moved in from northern New Jersey, New York, and New England. As summer progresses, females and young join the flocks. During August and September redwings are present by the hundreds of thousands, and later their numbers diminish to an overwintering population which apparently varies from year to year.

Summer roosting areas of redwings are usually extensive growths of reeds (Phragmites), although wildrice (wild oats), saltmarsh cordgrass, or other marsh plants are sometimes used. Early each morning the birds leave the roost in several different directions. Feeding grounds may be a considerable distance from roosts; one summer evening in 1953, a flock of redwings was followed 12 miles to its roost site.

Records on grackles by bird observers show that overwintering populations of these birds also vary from year to year, and that northward migration may begin by mid-February. Nesting precedes that of redwings by about a month. On May 12, 1954, in Salem County, some nests contained eggs and many grackles were seen carrying food to nestlings. Grackle nests are most commonly located in large shade trees near farmhouses.

Grackle roosting has been observed in reeds, giant cordgrass (Spartina cynosuroides), and shade trees. When roosting with redwings, which they seem to do when summer concentrations first form, they are interspersed among the redwings in flights to and from feeding grounds. Later in the summer, however, grackles tend to segregate from other blackbirds. They leave the roost in a large flock and may remain together for the entire day, invading one field after another. Observations during both 1953 and 1954 indicate that summer aggregations of grackles leave the area in September.

Cowbirds resemble redwings in overwintering, roosting, and flight habits, and in nature of attack upon corn. Though less abundant than redwings, they are sufficiently numerous to cause considerable damage to maturing corn.

Bobolinks rarely breed in this area. Even when abundant, from the latter part of August to mid-September, they feed mostly on wildrice and do little damage to corn.

ROOSTING AREAS

The two largest summer roosts in 1953 and 1954 were located in extensive stands of reed at the Killcohook Refuge, Salem County, N. J., and along the Chesapeake-Delaware Canal (from State pond, west of St. Georges, to Delaware City, near the mouth of the canal) in New Castle County, Del. Two other reed areas used for roosting have been located near the mouth of Oldman's Creek between Salem and Gloucester Counties and along the Cohansey River in Cumberland County, N. J.

Five areas of wildrice serving as roosting sites were found. They were in the Maurice and Cohansey Rivers in Cumberland County, N. J., Mill Creek in Salem County near the Killcohook reed roost, and Cedar Creek north of Delaware City. These areas were used primarily by redwings and cowbirds. They were abandoned as the wildrice season progressed and when the plants no longer stood erect.

An area of giant cordgrass and hightidebush along Green Creek, a tidal stream near Leipsic, Del., served as a roost in 1954 for both red-wings and grackles. Although these birds shared the area, they were inclined to use separate sections of it.

EXTENT AND NATURE OF DAMAGE

Sprout pulling

Complaints on sprout pulling of corn by birds in this area were unusually numerous during the spring of 1954. In some instances crows were responsible; in others, red-wings were blamed; but most sprout pulling was attributed to grackles. Cool and wet weather during most of May was not conducive to good growth and made sprouts vulnerable to damage for a long time. However, in many instances birds were blamed for poor stands of corn which may have resulted instead from adverse ground and weather conditions.

Damage to maturing corn

In a survey of corn damage in New Jersey conducted by Charles Wright, of the New Jersey Fish and Game Commission in 1953, it was ascertained that in Salem and Cumberland Counties an average of 11 percent of sweet corn ears was attacked. Damage to field corn in those 2 counties and also in Gloucester County averaged 17 percent. Damage to sweet corn ranged from 0 to 74 percent and to field corn 0 to 96 percent.

In New Castle, Del., 11 sweet corn fields surveyed by the senior author showed damage averaging 15 percent attacked ears and ranging from 0 to 67 percent. In New Castle and Salem Counties, damage in 33 fields of poorly protected field corn averaged 38 percent attacked ears, ranging from 8 to 98 percent.

The most valid method of determining annual variations and longer range trends in intensity of the blackbird problem is by comparing damage in the same fields from year to year. Because of many variables, such as crop rotation, varieties of corn grown, changes in planting date, and methods used to protect crops, and extremes in weather conditions, all of which affect damage, the same fields are not necessarily comparable from one year to the next. Of the 52 fields of field corn surveyed for damage in 1954 only 8 were sufficiently similar to those that were surveyed in 1953 to be used for comparison. The average number of ears attacked in these 8 fields was 30 percent in 1953 and 33 percent in 1954. These data indicate a damage increase of 10 percent to field corn in 1954. Since the 1954 crop was greatly inferior, some of this additional damage might be attributed to the use of less protection.

Damage expressed in terms of attacked ears provides a general indication of extent of damage, but does not represent the total extent of crop losses. An opened ear of sweet corn intended for fresh market is unsalable and therefore a total loss whereas, when corn is processed part of an opened ear may be used provided it has not soured. Field corn ears that have been attacked by birds are likely to mold or sprout in wet weather, especially if the ears were opened at an early stage of development.

A field test demonstrated definite relationship between extent of bird attack to an ear and amount of mold. Among ears which had been less than 10 percent destroyed, 50 percent showed slight mold and none had heavy mold. Half of the ears which had been more than 10 percent destroyed also had slight mold, but an additional 25 percent had heavy mold. Over half of the ears that were very moldy had germinating kernels. Thus a grower's actual loss from mold depends not only on the number of ears attacked but also on how severely they are attacked. Weather conditions in 1954 doubtlessly produced excessive mold, since late summer and early fall were unusually damp, whereas during the same period in 1953 the weather was very dry.

Extent of damage in relation to proximity of crop fields to marshland

Of the three factors which were determined in 1954 to affect extent of damage, namely, variety of corn grown, nature of crop protection and proximity of marshland, the latter proved to be the most significant. Fifteen percent of the corn was destroyed (in terms of total damage, except by mold, to all ears) in 16 fields adjacent to marshland, whereas only 5 percent was destroyed in 16 fields farther from marshland, but comparable in respect to variety and protection provided.

Extent of corn damage in relation to variety grown

A good opportunity to test relative susceptibility of certain varieties of field corn to bird damage was presented through demonstration plantings by county agricultural agents. These plantings were located in the center section of a larger cornfield and consisted of a few rows of each variety planted perpendicular to the road. Therefore exposure to bird attack should have been approximately the same for each variety.

A planting of 2 rows each of 12 varieties in Salem County in 1954 was surveyed for damage on September 15. In table 1 data from this census is combined with corn production information obtained from the assistant county agent.

TABLE 1.—*Relationship of variety to extent of loss and production*

Variety	Percent corn destroyed	Percent ears attacked	Bushels per acre produced	Bushels per acre destroyed
W5307 [1]	0.1	1.6	33.24	0.03
Pioneer 8907	.1	2.8	64.54	.09
Pioneer 312A	.2	5.6	61.54	.14
C5311 [1]	.3	3.0	34.40	.11
Conn. 870	1.3	19.4	45.48	.60
Funk G-91	1.4	13.8	54.18	.76
Funk G-99	1.6	20.2	51.84	.85
DeKalb 837	1.9	14.2	63.70	1.20
N. J. 8	2.1	15.8	46.30	.95
DeKalb 850	9.0	36.6	28.02	2.52
N. J. 7	11.9	34.8	38.31	4.57
Conn. 554	15.0	32.6	35.91	5.40

[1] These 2 varieties were bred specifically for resistance to blackbirds by Dr. G. H. Stringfield, research agronomist, Ohio Agricultural Experiment Station. Seed for field testing was provided through the courtesy of the Ohio Hybrid Seed Corn Co.

A statistical analysis based on corn destroyed of each variety indicates that the only significant difference shown is in the superiority of the first 9 varieties over the last 3. The order of listing of the first nine varieties is not intended to represent ranking according to susceptibility.

Two demonstration plantings were surveyed in 1953—1 in Cumberland County on September 11 and 1 in Salem County on September 24. Seven varieties present in all 3 plantings showed damage as summarized in table 2.

TABLE 2.—*Comparison of attack among 7 varieties in 2 counties, 1953 and 1954*

Corn variety	Percent of ears attacked			
	Cumberland County 1953	Salem County 1953	Salem County 1954	Average
Pioneer 8907	3	12	3	6
N. J. 8	21	20	16	19
Conn. 870	29	19	19	22
Funk G-91	33	35	14	27
DeKalb 850	41	22	37	33
N. J. 7	36	34	35	35
Conn. 554	58	37	33	43
Average	32	26	22	

A difference between any 2 varieties that amounts to less than about 13 percent should not be considered as representating a demonstrated difference; thus, New Jersey 8 should be considered as about the same as Connecticut 870 and Funk G-91, but more resistant than DeKalb 850.

Since all plantings were made during the last week of May the results can only be valid for plantings on a similar date and, of course, in the same general area. The same varieties of corn planted at an earlier or later date might show a different order of rank.

In fields surveyed for damage in 1954, 13 percent of the corn was destroyed in 16 fields planted with varieties considered low in resistance to bird damage, whereas only 8 percent was destroyed in 16 fields with varieties regarded as resistant. These two sets of fields were approximately the same in respect to amount of protection given and location of nearest marsh.

Extent of damage in relation to proximity of crop fields to roosts

Sixteen fields that were an average distance of 2.3 miles from the nearest known roosting area were compared with 16 fields averaging 8.9 miles from the nearest roost. The amount of corn destroyed by birds in the 2 sets of fields was remarkably similar, the difference being only 0.2 percent; 6.9 percent of the corn in fields nearer the roosts was destroyed compared to 6.7 percent of the corn in fields farther away.

Extent of damage in relation to size of ear

Data derived from an experiment to determine this relationship indicated that more large ears are attacked than small ones. Of ears attacked, however, small ones suffer heavier damage.

Extent of damage in relation to time of planting

Because the redwing prefers wildrice to corn, there is a period of natural protection when the redwing feeds extensively in wildrice marshes rather than in cornfields. Grackles and cowbirds, however, feed on corn throughout the season. By timing planting so that the corn is in the milk or dough stage when wildrice becomes available to redwings, a considerable amount of corn damage can be avoided. Indications are that the most advantageous planting time for corn in this area is during the last week in May and the first week in June (see table 3).

TABLE 3.—*Relationship of time of planting to extent of attack in 33 unprotected or poorly protected fields of field corn in Salem and New Castle Counties in 1953*

Planting dates	Number of fields	Range in percent of attacked ears	Average percent of attacked ears
Apr. 28 to May 12	7	61 to 96	80
May 13 to May 20	4	17 to 63	41
May 21 to May 28	4	12 to 23	16
May 29 to June 6	9	8 to 98	28
June 7 to June 22	9	33 to 90	55

Observations on wildrice show that its time of development varies from one locality to another. Seven stands of wildrice have been under observation at the following locations: the Maurice and Cohansey Rivers in Cumberland County, the Salem River in Salem County, and the Christina River and Red Lion, Cedar, and Appoquinimink Creeks in New Castle County. In both years the development for any one locality has been the same and the calendar dates on peak of use by redwings have been similar. The peak of feeding on wildrice in the Salem River occurs from the second to third week in August. Wildrice in the New Castle County locations is about a week behind that in the Salem River, while the peak of feeding in the Maurice and Cohansey Rivers does not occur until mid-September.

Since rate of wildrice development varies with locality, the optimum planting date for corn will need to be adapted accordingly. The best time depends also upon the rate of development of the corn, which differs according to variety, weather conditions, and cultural practices. Assuming that the period including the last week in May and the first week in June is the most favorable for planting the commonly grown varieties in Salem and New Castle Counties, planting in Cumberland County should be delayed until the second week in June. Corn planted that late in the other two counties is likely to be attacked heavily by redwings after wildrice has been consumed. However, further study will be needed before best planting dates can be recommended with confidence.

CROP PROTECTION BY ROPE FIRECRACKERS

Salute type of rope firecracker

In 1953, evaluations were made on the relative effectiveness of various frightening methods used for protecting maturing corn. Of the devices used, rope firecrackers containing salutes proved to be best. The salute most widely used that year was the bulldog type containing 18 grains of explosive.

According to New Jersey Department of Labor regulations effective during the 1954 growing season, firecrackers containing more than 12 grains cannot be used for agricultural purposes. A determination of the difference of effectiveness between 18-grain and 12-grain salutes was therefore desirable.

In order to make this evaluation under field conditions, 6 assemblies, 3 containing salutes with 18 grains of explosive material and 3 with 12-grain salutes were placed at regular intervals throughout a 21-acre sweet-corn field being attacked by red-wings. The assemblies were approximately 400 feet apart, a distance which was considered greater than the effective range of the 18-grain salutes as ascertained from 1953 studies. The rope firecrackers were operated for 3 days. On the fourth day, damage counts were made from the same 24 sampling stations where pretreatment damage appraisals had been made. The counts showed that no appreciable increase in damage had occurred in any portion of the field and the slight increases did not occur any more frequently in the area around the assemblies with the 12-grain salutes than around those of the 18-grain salutes. It could be concluded that under these conditions the 12-grain salutes were capable of protecting an area of approximately 3½ acres. If this finding holds true, then either the range of effectiveness of the 18-grain salute has been underestimated or otherwise the 12-grain salute functioned more effectively in the drought-stunted corn.

Two-shot repeating bomb

A type of aerial bomb known as the 2-shot repeating bomb was developed especially for crop protection. It consists of two upright bombs mounted on a wooden block and connected by a fast fuse. Each set is wax-coated for water repellency. A series of these can be placed at intervals along a cotton fuse rope by threading the fuse of each set between the rope strands. The entire assembly is operated from a specially designed rack. As a bomb ignites, a small cartridge is blown about 20 feet into the air where it explodes with great intensity. This is followed in 5 or 6 seconds by a similar ejection and blast of the second bomb. Specifications on this device are available upon request to the United States Fish and Wildlife Service, Laurel, Md.

Effectiveness of the repeating bomb was tested in a 58-acre sweet-corn field near Leipsic, Del. This field was difficult to protect because of differences in maturity of the corn, proximity of the field to marshland, which served as a blackbird roost, and presence of an attractive wild-cherry hedgerow and peach orchard adjoining one side of the field.

The experimental field was divided into three sections, representing differences in maturity of the corn and a bomb assembly was operated near the middle of each section. When bombing operations commenced, sampling stations were established at 150-foot intervals along a line from the assembly location to each corner of the section and damage estimates were made of 100-ear samples near each station. Operations were halted when harvest of each section was begun and at that time damage counts were again made at each station.

In the 27-acre central section, 249 repeating bombs were used over the 7½-day period prior to harvest. In the 16- and 15-acre north and south sections, 207 and 164 bombs were used in 6 and 5 days, respectively. The bombs were operated in the central section alone for 3 days. On the following 3 days they were run in both the central and north sections. For 1½ days they were functioning in all 3 sections. Over an additional 1½ days they were operated in the north and south sections, and for 2 more days they were run only in the south section.

Increase in amount of damage associated with distance from site of the bomb assembly is more pronounced beyond 300 feet. Seventy-nine percent less damage occurred at 150 feet than at 6000 feet, 67 percent less occurred at 300 feet than at 600 feet, and 30 percent less occurred at 450 feet than at 600 feet. Relationship between damage and adjacent vegetation is also demonstrated.

With distance from the assemblies equivalent, damage toward field edges possessing attractive natural food and cover for birds was significantly greater than toward open edges.

Since explosions at 5-minute intervals were considered desirable in the early morning operations, 18 inches of faster-burning cotton fuse rope (one-fourth inch in diameter) was spliced to 2½ feet of the commonly used five-sixteenths-inch rope and ignited in the morning. For afternoon and evening operations, only five-sixteenths-inch fuse rope was used.

The cost of materials for protecting 1 acre per day by 2-shot repeating bombs spaced at 900-foot intervals and with daily loads of 40 bombs amounts to about 35 cents.

Overhead stand

Since the use of repeating bombs is prohibited by law in New Jersey maximum results must be obtained from the type of firecracker available to growers there.

Sound carries much farther above the level of dense field crops, so some farmers hoist rope-firecrackers by a pulley arrangement to the top of a 15- to 20-foot pole. From here the ignited firecrackers drop into a strong wire basket or onto a wooden platform above the height of the corn.

Improvements have also been made in designing apparatus to assure successful operation of rope-firecrackers during stormy or windy weather. The most satisfactory model to date is the overhead rope-firecracker stand (fig. 2). It consists of two 2-foot sections of galvanized stove pipe, 6 inches in diameter, topped by a terminal elbow. A small block of wood containing a hook is fastened to the upper inside surface of the elbow joint and the rope-firecrackers are suspended from this hook. At the lower end of the stovepipe sections a strong wire basket is attached to catch the firecrackers as they drop. Lightweight hardware cloth used for such baskets must be replaced frequently. Fourteen gage one-third-inch mesh screening forms a much more resistant surface for exploding salutes. The stove pipe and basket assembly is mounted at the end of a 12 foot, 2-inch by 2-inch pole, which in turn is held erect by strong rustproof, flexible wires binding the pole within the right angle of a 5-foot steel fencepost.

This overhead rope-firecracker stand not only provides protection from wind and rain but is light enough to be readily portable.

BLACKBIRD POPULATION REDUCTION

The sweet-corn harvest presented an excellent opportunity for experiments on reduction of blackbirds by poisoning. Mechanical picking, together with the practice of cutting up and plowing under plant residues before drying, afforded favorable conditions for effective and safe poisoning operations. Blackbirds attracted in large numbers to mangled ears strewn upon the ground readily consumed poisoned grain scattered through the field. Game species were not immediately attracted to fields in this condition and the poisoned grain was allowed to remain on the ground for only a few days.

In 1953, strychnine-poisoning tests were performed in harvested sweet-corn fields with oats as the bait medium. In 1954, various dosages of strychnine were tried preliminarily with different bait mediums in different habitats as a step toward determining safe and effective poisoning techniques. No attempt was made to regulate the quantity of bait used per unit of ground area, nor were the treated fields searched systematically for recovery of dead birds.

One test was performed in a stubble field used as an assembly point by birds just prior to roosting. The bait consisted of mixed oats and cracked corn treated with 1 ounce of strychnine sulfate to 10 quarts of grain. Over a 7-day observation period, only 21 cowbirds and 2 redwings were found dead in this field. This recovery was unexpectedly low in view of the large flocks of birds that assembled each evening in this field. Further tests will be made at assembly points.

The results of five tests conducted in standing field corn were likewise disappointing, even in fields under heavy attack. Only one of these was reasonably successful. The bait consisted of 1 ounce of strychnine to 6.5 quarts of wheat. Operation of rope-firecrackers on the third day of the test halted poisoning experimentation. In those 3 days, 305 red-wings and 2 mourning doves were recovered. This field was very well cultivated and the distance between corn plants was greater than usual. The exceptionally good visibility of bait and high dosage of poison used may have caused a concentration of the kill to the immediate vicinity of the bait.

A large kill resulted from a test with bait consisting of 1 ounce of strychnine to 10 quarts of mixed oats and cracked corn spread in a newly mowed soybean field. Observations were made over a 7-day period, and in that time 2,204 red-wings, 1,668 cowbirds, and 9 grackles were recovered. The total kill of blackbirds in this field test was estimated to be 8,000.

From these poisoning tests the following conclusions can be drawn: (1) Poisoned baits are usually more effective when used where blackbirds are already feeding on the ground; (2) standing field corn is generally unsatisfactory location for poisoning operations; (3) poisoned bait exposed in standing field corn killed a few mourning doves even when the dosage of poison was as little as 1 ounce to 20 quarts of grain; (4) grackles were especially difficult to attract to poison bait.

Mr. Chairman, I am certain this report justifies the action of the committee in approving an appropriation for the further study of the matter to the end that a remedy may be found for the distressing condition that exists.

Mr. JENSEN. I thank the gentleman. The gentleman from New Jersey [Mr. WOLVERTON] is so modest in his requests for dollars out of the taxpayers' pockets that it is difficult to turn the gentleman down. He never asks for anything that is not fair and proper and very necessary.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. THOMSON of Wyoming. I notice on page 5 of the committee report, dealing with the maintenace and construction program for utilities and facilities in the parks, that $1 million has been taken from the budget estimate. In connection with this the committee report mentions unobligated balances, funds on hand, and that the rate of expenditure in the past with regard to them should not curtail any part of the program the committee approves.

In connection with this program we are quite concerned because Congress has blandly created parks and monuments and there does not seem to be the proper support for them. We are alarmed because Yellowstone Park, instead of being one of our best advertisements of America, is becoming one of the poorest advertisements in our area. Included with this is a very modest amount for utilities in the Canyon area and for water facilities, and also facilities at Fishing Bridge. This has been a matter of concern to us. I wonder if the committee can assure us money will be available for this purpose in Yellowstone and other parks so as to make them usable by the citizens.

Mr. JENSEN. The committee cannot say definitely where certain amount of funds is going to be spent for a specific thing unless it is so earmarked in the bill, but certainly the money is going to be spent for the purposes for which we appropriate it. It is the responsibility of the National Park Service to spend the money where it should be spent. We always question them each year quite at length as to what they spend the money for. Of course, we want to know that they spend it where it is most needed.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Iowa.

Mr. GROSS. Does not the gentleman agree with me that we might have more of these conveniences in the national parks if we did not spend so many billions in giveaway programs all over the world?

Mr. JENSEN. Naturally.

We also appropriate for the Fish and Wildlife Service, which is another very important branch of Government; also Territories of Hawaii, Alaska, the Virgin Islands, and the Trust Islands in the Pacific. The Commission of Fine Arts, the Forest Service, the Indian Claims Commission, the National Capital Planning Commission, the Smithsonian Institution, the National Gallery of Art, and many other functions of Government for which this committee recommends appropriations to the Congress.

I am happy and honored to be a member of this committee and to serve on it with the fine gentlemen from both sides of the aisle. I hope we can pass this bill as it comes to the floor and that in future years every department of Government and the American people will see to it that our priceless natural resources are properly conserved. Let us remember, always, that a nation is no stronger than its soil and natural resources and its people are productive. Thank you.

Mr. KIRWAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. SIEMINSKI].

Mr. SIEMINSKI. Mr. Chairman, the State of New Jersey is grateful for the funds voted by the committee to insure better fire control of its woodlands and for the funds that will do much to help control the blackbird pest that has annoyed south Jersey in particular. It will please our Governor, the Honorable Robert B. Meyner to know that his plea on this behalf for the people of New Jersey has been so speedily answered. We thank the committee.

To Mr. KIRWAN, our committee chairman, special thanks are given. He conducted the hearings in a manner that gave all a chance to explore the fullest possibilities of every issue.

This is my first year on this committee. It deals with the wealth of America. I trust that we on the committee have done our part in conserving that wealth now and for the future by insuring its productive use by all.

Mr. KIRWAN. Mr. Chairman, I yield 10 minutes to the Delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, certain drastic cuts proposed in the pending bill vitally affect Alaska, the Alaska construction industry, and the Alaska economy. It is on this point that I rise to address the Committee today.

In its report, the Committee on Appropriations has reduced the amount requested for the Alaska Road Commission by $3 million. And it has eliminated the entire amount requested for Alaska public works, or $5 million.

These 2 cuts total $8 million, which represents nearly 29 percent of the total requested for the Office of Territories. Indeed, the entire bill applying to the Interior Department was reduced by slightly more than $15 million below the Budget Bureau estimates. Of this total reduction, more than $9 million was taken from the Office of Territories.

I should think it would be hard to deny that this is brutal treatment of what is merely a small part of the Interior Department activities. Too, it seems remarkable that Alaska is to bear a cut of 29 percent in the Office of Territories appropriation while the departmental bill was reduced overall by less than 5 percent.

If I may say so, it illustrates again why the overwhelming majority of Alaskans desperately want and need statehood, and the voting representation in Congress incident thereto.

Alaskans have long realized that only through statehood will they be able to combat situations of this kind on an equal footing with their fellow Americans with whom they share the expenses and the responsibilities of citizenship.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman referred to a cut in the appropriations, and an item occurs to me that I want to ask the gentleman a question about. I have received several letters in regard to appropriated funds for a sanitarium or hospital in the community, which I take it is named after the gentleman, Bartlett, Alaska?

Mr. BARTLETT. I am delighted to say the gentleman is correct.

Mr. AUGUST H. ANDRESEN. Could the gentleman explain the situation there? It seems that certain ladies are writing to us about getting funds for this hospital and are concerned over the situation there. What is the situation?

Mr. BARTLETT. I will be very glad to explain that to the gentleman. Until this year, the appropriation request for that sanitarium and other sanitariums in Alaska for treating tuberculosis patients was in this bill. Now, it is transferred over to the Department of Health bill. When that was passed just the other day by the House of Representatives it contained sufficient money, as I was assured on the basis of questions I asked from the floor, that the beds of this particular institution, to which the gentleman from Minnesota refers, could be filled together with other institutions operating in the Territory of Alaska.

Mr. AUGUST H. ANDRESEN. Then, we can say that this matter has been taken care of in an adequate manner so that the people in need, the sick people and the tuberculosis patients and others, will be fully taken care of.

Mr. BARTLETT. I think we can make a categorical statement to that effect. I can also say, and I want to say, that when these health funds were in this particular bill previously, this subcommittee was most kind and generous always to give us funds for combating tuberculosis which, as the gentleman

knows, is a very grave disease in Alaska and presents a greater problem than in many other places.

Mr. AUGUST H. ANDRESEN. May I ask the gentleman then how this story started that adequate funds were not being provided?

Mr. BARRETT. Well, adequate funds were not being provided in this sense, that the hospital had been filled with three classes of patients—first, the beneficiaries of the Alaskan Native Service, an operating arm of the Bureau of Indian Affairs of the Department of the Interior; second, beneficiaries of the Alaska Health Department; and third, beneficiaries of the Veterans' Administration.

The situation with respect to the last two categories is now such that there are not so many patients coming in so this sanitarium has about 31 beds vacant. Of course, the staff remains the same size and the heating costs are the same so we want to get the institution filled up again, as we will now I am assured, at the beginning of the fiscal year.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. BARTLETT. According to its report, the Appropriations Committee has refused to approve funds in the amounts requested for the two Alaska programs I have mentioned because of the supposed existence of carryover balances from prior years.

When I learned of the committee's action I asked the Department for an explanation of the unexpended balances cited in the report. Information which I have received convinces me that the committee's action was based on a misunderstanding or a misconception of a number of basic factors involved.

In its accounting at the end of the last fiscal year, I am informed, the Alaska Road Commission did show a balance of $5,490,000, but $2,400,000 of this sum was being held for a specific project, awaiting an appropriation in the current year of $700,000 to provide the amount necessary to assure completion of the project.

Last July, 6 days after the 1955 appropriation bill became law, the entire contract was let, including the supposed carryover of $2,400,000. Because of the care exercised by the road commission, it knew when it let the contract it had the money to complete the job.

Instead of being penalized for thus prudently handling Federal funds, in my opinion, the commission should be praised. Too often Congress has been called upon to appropriate money to finish work for which funds were exhausted while the work was in progress.

As to the remaining $3 million of the road commission's so-called carryover, I am informed that this money was fully earmarked to cover contingencies and the cost of administering construction contracts in progress totaling $10,686,000. While not obligated in an accounting sense until salaries are actually paid, supplies are bought and other administrative bills fall due, this money is obligated in the sense that the Government has undertaken the contracts approved by Congress in the past and must perforce oversee their completion.

The end result of this is that the $3 million taken out of the road commission budget for 1956 will reduce by that amount the ability of the road commission to finance projects in its 1956 program which was wholly approved by the committee.

Now, turning to the Alaska public works program, the committee has again fully approved the projects suggested for 1956 but, in this case, disallowed the entire request for funds with which to carry them out. The report states that unobligated balances from previously appropriated funds should be sufficient to finance the new projects.

This, it seems to me, overlooks the very important fact that sums appropriated in the past were approved for specific projects. Applying the money to those projects as directed by Congress can mean only that there will be no funds for the 1956 program. Or if the 1956 program is undertaken, some projects which have previously been approved must now be dropped.

The action by the committee was evidently based upon the fact that there was carried over into this fiscal year a balance of approximately $12,500,000. With the $9,500,000 appropriated for 1955, the amount available for expenditure this year comes to $22 million.

I am informed that a considerable portion of the $12,500,000 carryover was attributable to delays resulting from a general review of all Government construction programs at the time of the change in administration, plus a reorganization and strengthening of the staff in the Juneau office of Alaska public works.

I am sure this Committee will be pleased to learn that the delays are now behind us and that the main contracts for projects provided for in this accumulated carryover are rapidly being awarded.

For example, it is significant that $7 million of the $22 million has already been committed under contract for the forthcoming building season.

Dates have been set and bids will be opened in time to let the contracts for another $8 million before next June 30. This work will also be underway during the 1955 building season.

That represents $15 million of the $22 million.

The remaining $7 million can be quickly accounted for.

A total of $3,500,000 is represented by equipment which must be bought to go into the structures once they are completed. Schools must have desks, chairs, and so forth. Hospitals must have beds and medical equipment. Other types of structures require fixtures and other internal equipment for completion.

The contracts for the structures that will house this equipment have been let or will be let within the next 3 months. Yet to let the contracts for purchase of the equipment at the same time the foundations are being dug would be to saddle the taxpayers with added expense for deferred orders or for storage upon delivery. Nevertheless this money must be regarded as committed as effectively as though the purchase orders had been signed.

Another $2 million of the $7 million is earmarked for a new high school at Juneau, a project previously approved by the Congress. The people of Juneau have experienced some difficulty in deciding upon a school site and this has delayed preparation of final plans. It is anticipated that work on the site will begin during this summer and that the building contract will be let prior to the start of the 1956 construction season.

Finally, there is left out of the $7 million a sum of $1,500,000 to meet contingencies. In view of the scope and size of the program, this certainly cannot be considered exorbitant.

In every well-planned public works program there must be a prudent amount included to meet unforeseen and unforeseeable circumstances. Here it should be noted that the Department has never requested, nor is it likely to request, any additional money to complete any project presented. That is the purpose of the contingent fund.

But the point that I want to emphasize is that the latter amount—$1,500,000—is really all the carryover there is in the Alaska public works program.

And, further, I would be remiss in my duty to the people of Alaska and my colleagues in the House if I failed to point out that if no money for this program is included in the pending bill, the Juneau high school project that I have mentioned will be the only new construction started under the program in 1956.

The sudden drying up of apropriations for Alaska public works, if even for a year, will be a shock to the Alaska economy and a heavy blow to the Alaska building industry. A sharp reduction, such as is proposed, in the Road Commission funds will likewise harm the commerce of the Territory and retard its development.

Contractors with vast sums invested in equipment must make use of the equipment or face severe financial hardship. Working people need jobs to sustain them. That the Alaska population as a whole needs more and more roads hardly needs arguing.

Equally pressing is the need for the valuable community improvements such as have been provided by the Alaska public works program.

With these factors in mind, I hope the request of the Department of the Interior for funds necessary to permit it to continue its work in Alaska will be honored.

Mr. FENTON. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, the gentleman from Ohio [Mr. KIRWAN] and the gentleman from Iowa [Mr. JENSEN] have given such a fine explanation of this bill that it is unnecessary for me to go into many other details.

With the convening of the 84th Congress, we found that the chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON], had revamped the subcommittees and in the case of the Interior Department Subcommittee on Appropriations had removed from its jurisdiction the appro-

priations for the Reclamation Bureau, the Bonneville Power Administration and Southeastern and Southwestern Power Administrations. Whether or not that was a good move remains to be seen. Personally, I regret that those four agencies were removed from the jurisdiction of our subcommittee but since our leadership has acquiesced we will have to put up with it.

In the place of the four-power agencies our committee was given the Forest Service which as you know is an agency of the Agriculture Department. We were also given several commissions, namely the Indian Claims Commission, the Jamestown-Williamsburg-Yorktown Celebration Commission, the National Capital Planning Commission, and the Woodrow Wilson Centennial Celebration Commission.

We also acquired jurisdiction for appropriations for the Smithsonian Institution and the National Gallery of Art.

I might say that those additional agencies which we acquired are very interesting indeed and we certainly hope that we will be considered as fair in our dealings with them as their former committees were.

H. H. 5085 is composed of three titles with the following appropriations:

Title 1, Department of the Interior, $207,025,856.

Title 2, related agencies, $90,855,390.

Title 3, Virgin Island Corporation, $390,000.

TITLE 1

The appropriations $207,025,856 for the Interior Department in this bill is around $4 million less than the current fiscal year and $15,708,500 less than the budget estimate. Most of these decreases are in holdover construction money; that is, unobligated balances of previously appropriated funds.

The work being done by the various bureaus of the Interior Department is very satisfactory.

GEOLOGICAL SURVEY

The committee recommends the full budget estimate of $26,285,000 for Geological Survey. Of this amount, $11,320,000 is for topographic surveys and mapping; $5,430,000 for geological and mineral resource surveys and mapping; $6,700,000 for water resources investigations; $100,000 for soil and moisture conservation; $410,000 classification of lands; $1,300,000 for supervision of mining and oil and gas leases; $750,000 for general administration; and $275,000 for plans and specifications for a special purpose building for the Survey.

We are all cognizant of the importance of this agency of the Department of the Interior. Upon it depends our various mapping with all of its implications.

In the field of natural resources the National Government has basic and primary continuing responsibilities, particularly in the field of general welfare, national defense, and interstate commerce. Because of these responsibilities a Government-supported nationwide appraisal of mineral and water resources must be maintained on a current basis. The Geological Survey's activities are directed toward that objective.

As far as topographic mapping is concerned, the areas selected, except those where financing is on a cooperative basis, priority is given to mapping those projects most directly connected with the immediate and long-range economic development and security of the Nation. This involves the mapping of areas for: First, military defense requirements; second, the search for and development of mineral resources, including fissionable materials; third, development of water resources; reclamation of land for agriculture; and fourth, development of transportation and other industrial activities.

The geologic and mineral resource surveys and mapping is to my mind very important. Upon the surveys' data in this field depends the Federal Government's ability to appraise our resources needed in making sound and effective policies regarding all our resources. Much can be said of this particular service in the geological survey agency.

The water resources investigations is one of the most important items today. With the mounting requirements for water there is a great need for reliable information concerning our water resources.

Because of the multiplicity of problems related to water and its use, a complete understanding of the occurrence and behavior of water and its changing conditions as development takes place is of vital importance. Too often water development projects are planned and initiated without adequate knowledge of the total water resources of the area or region concerned.

Far surpassing any other resource and probably equaling the importance of all others combined, water has now become the center of immense conservation activity and rapidly mounting expenditure. (From statement by J. R. Mahoney, senior specialist in natural resources, Legislative Reference Service, Library of Congress, in a report, the Physical and Economic Foundation of Natural Resources, pt. II.)

It is admitted by everyone connected with resource conservation that water has become our No. 1 problem and that we are woefully lacking in our investigational program. The Geological Surveys program is insufficient for the increasing demands made upon it because of lack of sufficient funds.

President Eisenhower, in the announcement of his new Cabinet Committee on Water Resources said:

I have become convinced that before very long America will almost unanimously look upon water as its single greatest resource.

It is therefore advisable in my opinion to accelerate this program.

BUREAU OF MINES

The committee allowed $18,863,000 for the Bureau of Mines for fiscal year 1956. This is a decrease of $6,637,000 from the current fiscal year of $25,500,000.

These decreases are due to a construction item being carried over from this year and for which $6 million had been appropriated. Also $30,000 less for general administrative expenses and $607,000 less for mineral resources and conservation.

The committee allowed $5 million for the Health and Safety Division, which is the same as this year's appropriations.

The program of the Bureau of Mines in research work has progressed to the point where there is no money requested for continuing the Rifle, Colo., oil and shale plant.

INDIAN BUREAU

The one large and important item missing from the Interior Department appropriations for the Indian Bureau for 1956 is the item for Indian health.

On July 1, with the beginning of the 1956 fiscal year the function of health for the Indian Bureau will be taken over by the United States Public Health Service under Public Law 568 of the 83d Congress.

I am personally pleased that the United States Public Health Service will be responsible for the health of the Indians. I have preached this for years and now that it is about to come to pass I feel sure that it will be a great improvement over the old system. It will be interesting to note what progress is made in the next few years.

It is also gratifying to note the great improvement in the number of Indian children of school age now being given the opportunity of going to school.

The results in the past few years have been remarkable. You will recall that each time this Interior appropriations bill came up for consideration that we always had to report that fifteen to twenty thousand Indian children had never seen the inside of a school.

So it is indeed gratifying to note that it is anticipated that in fiscal year 1956 that all Indian children in the United States who are eligible and willing to avail themselves of schooling will have that opportunity. Otherwise the Indian Bureau receives about $1,260,710 more for fiscal 1956 than for the current year.

NATIONAL PARKS

Much could be said about our parks. We have wonderful natural scenery and our park executives and employees are very proud of them.

Much criticism has been directed at our park management through magazines, and so forth, but as I sit across the table each year and listen to their plea for money to carry out their responsibilities I must say that they are not to blame for the defects as publicized.

They are doing a splendid job with the amount of money given them. However, I do believe that the time has come when the rehabilitation necessary to preserve our parks must take place and the facilities necessary for safety constructed.

Our committee allowed $43,650,000 for fiscal year 1956 as against $32,825,590 for the current year.

TITLE 2. RELATED AGENCIES

First. Forest Service is by far the agency requiring the greatest appropriation in this bill. It exceeds the amount appropriated in this bill to the Indian Bureau by over $18 million.

The amount recommended by the committee for fiscal 1956 is $84,536,690,

which is $130,000 more than the current year and $1,083,690 more than the budget estimate.

Since this item belongs in the Agriculture Department and is a new program for this subcommittee, I can only say that I was greatly impressed by testimony of those from the Department that came before us.

Great interest was also shown by the Members of the House who appeared before us for this item and I believe we were justified in increasing the amount of money allowed by the budget, particularly the amount for fighting forest fires.

Second. The Smithsonian Institute is another new item given this subcommittee.

Since this is the first time that we have had to consider this agency of our Government, I can also say that I was greatly impressed by those who appeared in justification for the appropriation. We can be proud of this institution and we allowed the entire amount asked for, $5,355,000, which is an increase of $1,055,000 over the current year.

Third. The National Capital Planning Commission is another new item for this subcommittee. Until there is more agreement in the planning for redevelopment of the southwest area of Washington, the committee believes that the amount of money allowed for fiscal 1956 is sufficient.

The budget estimate was $1,100,000 and the committee allowed $643,000.

The CHAIRMAN. Does the gentleman from Pennsylvania desire to yield further time?

Mr. FENTON. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. BERRY].

Mr. BERRY. Mr. Chairman, I simply want to take a minute to commend the committee on inserting the item set out on pages 8 and 9 of the bill, making available $56,500 for settlement with the Yankton Sioux Tribe in South Dakota.

As the committee knows, we have a vast development program in the upper Missouri Basin, and several of these dams cover land on at least five Indian reservations in South Dakota. One of the settlements is made in this bill.

Last year Congress passed an authorization act for settlement with the Indians on the Cheyenne River Reservation for about $10,500,000. The Indians have held their election; they have ratified the authorization; the ballots have been sent to Washington to be checked by the Commissioner of Indian Affairs. Before it is complete, the Secretary of the Interior must issue a certificate that the election was held and that everything is regular and in due form. Because of the delay in getting the reports and the ballots in to the Washington office, the Secretary has not yet had an opportunity to issue such a certificate.

This certificate will include a statement that the Federal Government has offered a settlement through the passage of this authorizing legislation and that it has been accepted by the Indians of the Cheyenne Indian Reservation through an affrmative vote of more than two-thirds of the enrolled adult Indians and that the contract for settlement is ratified and approved.

When such a certificate has been issued then Congress will be obligated to appropriate the money to carry out the terms of this settlement contract.

I appreciate that it is not possible to offer an amendment to this bill today providing for such appropriation since all procedures have not yet been cleared by the Secretary of Interior and his certificate issued. I did wish, however, to mention it at this point in order to appraise the membership of the House as to the current situation with regard to this appropriation. I am hopeful that the Appropriation Committee will see fit to include this item in the first supplemental appropriation bill so that full and final settlement can be made with the Cheyenne Indian Tribe and Reservation and that they can begin at once to effect their settlements with the landowners and begin their program of rehabilitation on the reservation.

Mr. JENSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I wish to commend the House Appropriations Committee and that group's subcommittees for their monumental endeavor in readying money bills for House consideration.

While I am just completing my third month in Congress, it already is evident to me that the Appropriations Committee members face a seemingly insurmountable chore when they begin hearings upon one of these bills. In view of the tremendous job it entails, I believe they are to be highly complimented upon the efficient functioning of their committee, justly executed.

I wish to commend the committee for one particular item in the bill for the Interior Department and related agencies. This item is found under the "Cooperative range improvements" heading of the Forest Service appropriation, which the committee increased from the requested $280,000 to $400,000. The latter figure continued the range-improvements program at the same level as for the current fiscal year.

It was my privilege to appear before the Appropriations Subcommittee concerning this item, and I am gratified to note that the funds were restored to their present level. I feel, however, that the committee could and should have gone one step further and recommended a figure in keeping with what generally is regarded as a Federal obligation under existing law.

I am referring to the Granger Act of 1950, which provides that specified portions of grazing fees charged livestock producers who use forest ranges are to be devoted to range-improvement activities. The act specifies that 10 cents per cow-month and 2 cents per sheep-month of the grazing fees are to be earmarked for this purpose. Best available estimates indicate that during the next year this would mean that some $700,000 should be provided instead of $400,000 as the committee recommended.

I most certainly am glad that the committee did not go along with the lower figure, but I am of the opinion that the committee should have honored the terms of existing law and recommended the full amount obligated.

Most livestock men who use the forests contribute more than their share of private funds to range improvement in their areas, and I feel that they have the right to expect the Federal Government to live up to its legally constituted agreement to contribute the specified portion of grazing fees. Further, the funds for this purpose originally are collected from these same livestock men with the understanding that a portion of the fee will be returned in the form of range-improvement effort. The money does not come from tax funds; it is collected entirely outside the normal tax structure.

In view of this set of circumstances, Mr. Chairman, I feel I should call attention to this obvious deficiency in the bill as reported to the House. I am confident this Congress wants to meet its contractual obligations to its citizens. I am confident we do not want to invite justified criticism that we are not putting back a proper amount to preserve some of our most valuable resources in our national forests.

Mr. JENSEN. Mr. Chairman, I have no further requests for time.

Mr. KIRWAN. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, under title 1, Office of the Secretary, research in the utilization of Saline Water, I wish to draw attention to the extreme importance of these studies for which this bill appropriates $400,000.

It is my understanding from the testimony before the committee that the success of these studies is approaching a point where it is highly likely that supplemental appropriations will be asked.

There is at the present time much discussion and dissension between various States concerning the division of Colorado River water. Colorado River water is, of course, the lifeblood of the people and industries of southern California and the part of the city of Los Angeles and Culver City, which I have the honor to represent.

The success of the experiments for conversion of saline water for beneficial consumptive uses would mean an end to much of the present dissension, would ease the anxiety that now rightly exists in southern California, would benefit thousands of other communities, not only along our coastlines but in the interior of the country, and would assure sufficient water supplies for the natural growth of our great country.

I am taking steps to urge the fullest cooperation of the city and county of Los Angeles and the appropriate public and private bodies with this program of the Department of the Interior while, at the same time, making full use of such power developments as may be possible through the perfection of atomic energy. This is one expenditure of public funds which most certainly will bring vast benefits to the people of our country.

Mr. KIRWAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. METCALF].

Mr. METCALF. Mr. Chairman, the members of the committee are to be congratulated for restoring an administra-

tion cut of $1,083,690, from the $9,449,500 fiscal 1955 appropriation for cooperation in forest-fire control under State and private forestry cooperation.

Early in 1913 Montana entered into an agreement with the Forest Service under the Clarke-McNary Act. This agreement made us partners in the job of providing good forest-fire protection to the forests and watersheds on State and private lands.

Progress was slow at first, but by 1931 all the area now considered as being in need of protection had organized protection. In 1931 the burn was 51,000 acres. This has been reduced periodically until in 1953 the burn was only 796 acres.

In 1915, Montana spent about $9,000 for protection of its forests. The Federal portion at that time was $3,400. This has increased consistently until in 1954 the expenditure was $278,000 of which $68,000 was from the Federal Clarke-McNary, section 2, appropriations.

During these periods our protection associations have been of great help financially and otherwise to the development of the program. We are protecting values which cannot be computed in dollars and cents at this time. I am thinking of the value of the water from our protected watersheds to faraway States. The value of primary forest products in 1951 was over $26 million in Montana. In addition, there are other intangible values of recreation, game, and fish which are an important source of income to the State.

The administration-proposed reduction of C–M 2 funds would have had an adverse effect on Montana as well as most other States. This reduction would have meant a loss of only about $8,000 to Montana but even such a reduction would have been serious because it would have resulted in the lowering of the level of protection. It would have been serious, too, as an indication of a lack of interest on our part in a Federal-State program which has been successful over the past 44 years. As I understand it, this administration wants more local participation in Federal-State enterprise. This cooperative program could be held up as a glowing example of what such policy contemplates—the States have continually strengthened their participation until now the Federal contribution is only a fraction of the total funds expended in the country on State and private land fire control.

As a Nation we have a real interest in the protection of timber and water resources. Interstate travel of water is well known and, as mentioned before, is of more value to a State other than the source of the water. Timber also is used by many States other than where produced. We should continue our national interest with substantial financial assistance.

Also under this general heading is $632,429, exactly the same as this year's appropriation for cooperation in forest management and processing.

This is the item under which the United States Forest Service cooperates with 38 States in giving advice and assistance in forest management to owners of small woodland properties. These small owners are made up of over 4 million farmers, schoolteachers, local merchants, housewives, and others who do not have the technical skill necessary to manage their forests for continuous crops of trees. Most of them do not have enough timber individually to make it practical to hire a forester even on a part-time basis. And these small owners control over 57 percent of all the commercial forest land in the United States and over 75 percent of the commercial forest land in private ownership. In Montana, 8,145 owners have 1,855,000 acres of these small forests, 47 percent of the privately owned commercial woodland in my State. Throughout the West, more than half of all the privately owned forests is in these small holdings. Many of these woodlands have been improperly cut over the years and only through the advice of a farm forester can they be made and kept productive.

There has been no increase of Federal funds for this cooperative farm forestry work since the Cooperative Forest Management Act was passed in 1950. Prior to this legislation the work was carried on in a limited way under the Norris-Doxey Cooperative Farm Forestry Act of 1937.

It was in 1940 that Montana began cooperating in this program, under which Federal-State farm foresters give in-the-woods technical forest management advice and assistance to small forest owners, both farm and nonfarm, many of whom are soil conservation district cooperators.

Montana discontinued cooperation in this program in 1949, when the State was unable to obtain funds required to match the Federal allotment. Montana now is planning to rejoin in this cooperative program if Federal matching funds are available. I know that other States are planning to come into this fine cooperative endeavor. The present Federal appropriation, however, is not sufficient to provide all the farm foresters needed in the 38 cooperating States where some 275 farm foresters are now at work. I believe these men are covering projects involving about 1,200 or 1,300 counties with small woodlands. Another 1,000 counties with small woodlands are still without the services of these farm foresters to advise the small woodland owner. Little or nothing has been done in carrying out the provisions of the act to advise the small mill operators to do a better job of cutting the timber from these small properties.

A small increase is urgently needed in this item to permit this worthwhile cooperation with the States to be extended. The authorization in the basic legislation for this cooperative work is $2,500,000 annually. An increase of $100,000 would be just 16 percent over the present appropriation of $632,429 and would still be less than one-third of the amount anticipated by the act. The cooperating States are now expending over $1.2 million annually in this cooperative endeavor. More farm foresters are urgently needed throughout the Nation. The Federal part of this work has been woefully underfinanced since the act was passed in 1950.

TOPOGRAPHIC MAPPING

Among other things, this bill provides funds for topographic mapping, a program of particular interest to Montanans. Although the committee approved the full amount requested in the budget it is not enough to do the job. I hope that next year additional funds will be requested by the administration to carrying on this important work.

The budget request was $11,320,000, the same as for this fiscal year.

Topographic maps are used by many industries, including mining, lumbering, and the development of oil-bearing areas. They are invaluable in developing land and water resources. They are essential in locating rights-of-way for telephone, telegraph, and rural electrification lines, highways, railways and pipelines, and in planning the operation and management of both State and national agricultural, grazing and forest lands.

Following is a letter on behalf of this item from Dr. J. R. Van Pelt, of Butte, director, Montana Bureau of Mines and Geology:

MONTANA BUREAU OF MINES
AND GEOLOGY,
MONTANA SCHOOL OF MINES,
Butte, Mont., February 22, 1955.

HON. LEE METCALF,
House Office Building,
Washington, D. C.

DEAR MR. METCALF: You have undoubtedly heard that the Montana Legislature Assembly passed House Joint Memorial No. 6 requesting increased Federal appropriations for topographic mapping of the State of Montana. This mapping is done by the United States Geological Survey and additional funds, if approved by the Congress, should appear in the Geological Survey budget.

For your information I enclose herewith a copy of the report which has been prepared by the Interdepartmental Advisory Council on Natural Resources. This report shows the vast unmapped areas of the State and the relatively modest request for the coming year. But even this request is several times larger than the United States Geological Survey will be able to meet with its present funds.

I am sure I need not go into detail on the extreme importance of good mapping. Every kind of activity involving land depends on availability of adequate surveys including those showing the topography of the ground. I hope you will agree with the need for much more rapid prosecution of the map program in Montana.

Sincerely yours,

J. R. VAN PELT,
Director.

COOPERATIVE WATER RESOURCES INVESTIGATIONS

Another item covered by this appropriation, which is of special importance to Montana, is the cooperative water resources investigations.

Here again the committee approved a budget request which is considered inadequate. The budget request was $4 million, an increase of $200,000 from this year.

For many years the Geological Survey has carried out cooperative investigations with States and subordinate government agencies whenever the joint interests warrant such joint participation. Whenever funds permit and the programs proposed are acceptable, it has

been the practice to participate on a 50–50 basis. By law, the Survey is prohibited from providing more than 50 percent to any cooperative project.

Under this form of joint venture and because of the continually increasing need for water facts, the Survey's cooperative program of water-resources investigations has grown rapidly. With few exceptions, the actual acceptable offerings of cooperation have proved to be greater than the estimates of them at the time of the preparation of the budget. In 12 of the past 26 years, the Survey has had insufficient funds to meet, on a full matching basis, all acceptable cooperative offerings. In several years, deficiency appropriations have provided funds to provide for full 50–50 matching of State offerings.

The current budget provides for $4 million for cooperative water resources investigations. Current estimates of acceptable offerings for cooperation exceed that by about $700,000.

The Montana Bureau of Mines and Geology has been working for more than a year on plans for studies of ground-water resources of various critical areas in the State. As in 43 other States, we in Montana hope to make this a cooperative project with the Survey, which has on its staff most of the first-class ground-water experts in the country.

The Montana Legislative Assembly, which met this year, agreed fully with the need for such studies and authorized State-matching funds in the amount of $14,000 per year for the next 2 years, with the understanding that it would be spent on a 50–50 basis with the Federal Government.

This proposed additional cooperation would increase to $714,000, the amount by which offerings of cooperation exceed the $4 million budgeted for fiscal 1956.

I understand that even should Congress appropriate the full $4 million, it still will be necessary for the Survey to forego acceptance of additional amounts of cooperative offerings in 1956 or match these offerings on a basis substantially less than 50–50.

Because this program is brandnew in Montana, and because it is so greatly needed, it would be most unfortunate if we had to postpone it because the Federal funds were not available.

The needs for more water-resources investigations are real and pressing. These needs are stimulated in part by drought conditions during the past years, but more particularly by the greatly increased uses and the realization, as in Montana, that water is a vital and limited resource, to be wisely used.

NATIONAL FOREST PROTECTION AND MANAGEMENT

The total $32,411,500 for national forest protection and management is an increase of $1,875,000 in three items of importance to Montana.

The $800,000 increase for timber resource management is of significant importance. It will provide men and facilities for marking more timber for sale. I understand that through the increased timber sales this item will provide many communities will benefit. It will put more loggers and timbermen to work.

It will bring money into local communities, and, of course, the increased receipts to the United States Treasury will be far in excess of the $800,000 increase asked for timber resource management. Receipts from the sale of timber last year were more than $67 million. This does not include receipts from grazing, minerals, and other resources of the forest.

The small increase of $200,000 for sanitation and care of public campgrounds is important. It is far below what is needed to do the job of maintaining the national forest campgrounds in a sanitary condition for public use. It will help, however.

The forest fire protection item of $875,000 offsets a decrease in the appropriation shown on page 359 of the budget for fighting forest fires on the national forests.

FOREST RESEARCH

The Forest Service budget for fiscal year 1956 includes a $200,000 increase for research. This increase is intended for watershed management studies at some 15 locations over the country. New studies will be started at locations where the need for information is most urgent; at other locations studies now under way will be strengthened to provide more nearly adequate research programs.

The northern Rocky Mountains in Montana make up the headwaters of important streams tributary to the Missouri and Columbia rivers. Water from these high mountain sources furnishes domestic supplies for numerous communities and provides the needs for thousands of acres of irrigated farmland to the east and west of the mountain range. These uses require well-regulated yields of silt-free water. This area is also a major timber-producing region and furnishes forage for domestic livestock, and for deer, elk and other big game animals.

No watershed studies are under way in the northern Rocky Mountain area. And yet there is an urgent need for information as to how these forested areas can be logged without accelerating run-off and erosion rates with resulting damage to the water resource. Studies are needed to furnish the guidelines for timber removal consistent with watershed protection. Additional studies are needed to point the way toward the proper integration of watershed management and range management practices so as to insure stable yields of good quality water and, at the same time, provide continued production of forage.

FOREST ROADS AND TRAILS

I am delighted that the committee increased the budget request for this item by $1.5 million to $24 million, the total amount authorized.

There is a matter, however, regarding forest roads and trails which concerns me very much. I believe my colleague will be interested because it involves millions of sportsmen, hunters, campers, and fishermen.

Most forest road money is spent for roads over which to haul inaccessible national forest timber that has been cut by private operators. This is good business, since mature timber needs to be harvested from remote areas before it is destroyed by forest pests or disease. However, many of the forest roads and trails used by sportsmen are in bad shape and need rebuilding or extensive maintenance. Also, new roads are needed to accommodate the influx of millions of people using the forests since the close of World War II. Many such roads and trails are needed in the West and also in the national forests of the East where, I understand from colleagues in Congress, that use is heavy.

In Montana we need several roads solely for the people coming to the forests for recreation. Since road funds earmarked for building timber access roads should not be diverted to building roads for recreational needs, attention should be given to an appropriation of some 3 or 4 million dollars a year to be spent on building recreation roads in the next few years. This money will come back to us many times over.

Each year additional millions of people are coming into the national forests to camp, hunt, and fish. We have neglected to provide safe, passable roads. In many areas there are not adequate roads for the use of these people. How much longer this need can be overlooked is a question we must soon face. Somehow, we must provide for improving at least two-thirds of the existing 20,000 miles of recreation roads in the national forests as well as building another 12,000 miles of new recreation roads to meet the ever-expanding pressure of people coming into the forests.

These recreation roads at the end of the highways are a magnet which draws sportsmen into our forests and dollars into State and Federal treasuries. The 40 million people who go into our forests for recreation each year spend millions in gasoline taxes alone, and probably make a forest road a better revenue-producer than a turnpike.

For example, take an 8-mile stretch of recreation road 40 miles from a town in Montana. People drive 40 miles to reach that forest road, 8 miles along it, then 40 miles back to town, paying gasoline taxes on an 88 mile drive that they would not have taken if it were not for that 8 miles recreation road.

COOPERATIVE RANGE IMPROVEMENTS

I was gratified to learn that the committee had increased the fiscal 1956 appropriation for this item by $120,000 from the budget request of $280,000 to a new total of $400,000, the same as provided this fiscal year.

The case for this appropriation is well stated by a letter from Mr. Ralph Miracle, of Helena, secretary, Montana Stockgrowers Association, which follows:

DEAR MR. METCALF: You have done some checking in the past in connection with the appropriation of the full amounts authorized by section 12 of the Granger-Thye Act of 1950 for range improvements on national forests.

It would be appreciated if you would advise us if there is any chance of securing this full authorization. In itself, by the time it is apportioned, it is still inadequate as far as Montana forests are concerned, but it would be fulfillment of the intent of the act.

Listed below by years are comparisons of previous appropriation and authorized amounts for Montana forests:

	1952	1953	1954	1955
Cooperative range improvement funds appropriated by Congress distributed to Montana forests by fiscal years	$56,610	$25,969	$44,704	$33,759
Granger-Thye Act (Public Law 478) authorizations based on preceding years receipt from grazing fees	72,305	73,016	73,605	73,133

Our Montana forests have 1,626.2 miles of drift, boundary, and division fences; 318.5 miles of stock driveways, and 1,847 water developments, all essential to good range management and deteriorating from lack of proper maintenance under present finances. Other improvements are badly needed. Some are being made by permittees at their own expense, but under present status this is hardly justified. Thanks for any assistance you can give on this matter.

Very truly yours,

RALPH MIRACLE,
Secretary.

Now $400,000 is a long way from the full amount authorized, which would be more than $700,000. But it is $120,000 more than the budget request for what is certainly the right approach to this problem.

The American people own thousands of acres of range that are administered by the Forest Service. Our Federal Government, acting as the landlord, must shoulder its responsibility for needed improvements.

Mr. KIRWAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I merely want to call attention to the fact that the Cumberland Gap National Historical Park has been created and the land is in process of being turned over to the National Park Service of the Interior Department.

Mr. Chairman, Virginia appropriated approximately $300,000 for the acquisition of land; Tennessee appropriated between $75,000 and $100,000 for the acquisition of land; and Kentucky appropriated over $1 million for the acquisition of some 20,000 acres to create this park. Due to the fact that the hearings before the subcommittee were already in process, it was too late to make a request this year for an appropriation in this House bill. Consequently, a group of interested Congressmen and others appeared before the Senate Committee on Appropriations, after having received from the National Park Service an estimate of the amount it would take for construction of the minimum facilities after this land is turned over to the Department of the Interior in 1956. We asked for an additional appropriation of $112,000. I hope this will be agreed to in the Senate and that the conferees will give this every possible consideration because it is very worthwhile, very deserving and very much needed in this section of our country.

I should also like to take this opportunity to commend the committee for the fine work it has done, especially as it affects our National Forest Service. In my district we have a large acreage of National Forest Service land that will be affected directly by this appropriation.

I also would like to commend the committee for the appropriation for the Geological Survey and the Bureau of Mines, especially as it pertains to the health and safety program which maintains headquarters in Norton in my district. I respectfully request that consideration be given to the additional appropriation of $112,000 for the Cumberland Gap National Historical Park.

Mr. JENSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Chairman, I just want to take this occasion to commend the committee, particularly the chairman thereof, the gentleman from Ohio [Mr. KIRWAN], for the forthright attitude that he has shown in connection with this measure, particularly as it relates to the Forest Service and the cadastral surveys by the Bureau of Land Management.

When my State of Utah was granted statehood we were given 4 sections out of each township for the support of our schools; but we could never get those lands until they were surveyed. As a result, we have been going all these years without sufficient appropriations to have the land surveyed. I therefore want to thank the committee for continuing the appropriation that was started last year to speed up the surveys in order to permit the land to be given to the State, which was promised to us a good many years ago.

I also want to commend the committee for the appropriation it has made for forest trails and for additional money to support our national parks. It is an easy matter for people to come in and say that they want to set aside areas for a national monument or a national park, and leave it sitting there. I think this committee has appropriated enough money this year to see that the parks are better taken care of than they have been before.

I therefore take this occasion to commend that committee for what it has done.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read the bill.

Mr. KIRWAN (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the balance of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Are there any points of order to be made before amendments are considered? [After a pause.] The Chair hears none.

Mr. CHELF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHELF: On page 16, line 7, strike out "$20,000,000" and the remainder of line 7 and line 8, and insert in lieu thereof: "$19,654,300, to remain available until expended: *Provided*, That no part of this appropriation bill shall be used at any time to plan, map, build or construct a new roadway or highway to Mammoth Cave National Park leading from U. S. Highway No. 31W between Cave City and Park City, Ky."

Mr. KIRWAN. Mr. Chairman, will the gentleman yield?

Mr. CHELF. I am happy to yield to the gentleman from Ohio.

Mr. KIRWAN. Mr. Chairman, the gentleman from Iowa [Mr. JENSEN], and I have agreed to accept this amendment. I want to read why. I received this letter this morning from the Department of the Interior, and among other things it says:

Since our appearance before your committee in support of the National Park Service 1956 appropriations, we have made an adjustment in the roads program about which I feel you should be informed.

We have eliminated the $345,700 road contractual authorization item for Mammoth Cave National Park, and have assigned these funds in other projects of the National Park Service. This reassignment will allow the National Park Service to bring roads already started to completion at an earlier date.

I therefore accept the amendment, Mr. Chairman.

Mr. CHELF. I thank the gentleman, and I certainly do appreciate it very much. I will say that you gentlemen of the committee have been very kind and fair to me, and I thank you from the bottom of my heart on behalf of my people.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was agreed to.

Mr. GAVIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GAVIN: On page 34, line 20, strike out "$10,683,690" and insert "$11,083,690."

Mr. GAVIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Chairman, I at this time want to say that when this discussion came up this morning as to the transfer of appropriation consideration of the Forest Service to the Department of the Interior, I was unable to learn who was responsible for the transfer. But, I do want to say that I think the transfer to the subcommittee now handling the appropriations is an excellent one. My great friend, the chairman of the subcommittee, the gentleman from Ohio [Mr. KIRWAN], and his committee are all great conservationists, and I want to say that they are eminently qualified to handle the appropriation matters, particularly as it pertains to the Forest Service.

Mr. Chairman, my amendment today calls for an increase of $400,000 in the seedling program which comes under section 4 of the Clarke-McNary Act. Each year an annual appropriation of some $450,000, $447,061, to be exact, is

allowed for cooperation with the States in this very worthy project. I might call the attention of the Members to the fact that the States themselves contributed $1.6 million. In 1954 half a million acres were planted to forest trees under this program. Now, this might sound like a tremendous accomplishment. However, it is small when we consider there are approximately 60 million acres of private and non-Federal public forest lands in need of planting to restore productivity for future timber needs. While the budget allows the same amount for this program as the Appropriation Act included last year, I believe it would be good business to consider bringing this cooperative tree-planting program up to the full measure of activity which Congress provided for in the Clarke-McNary Act, which was $2.5 million a year.

Mr. COLMER. Mr. Chairman, would the gentleman yield?

Mr. GAVIN. I am glad to yield.

Mr. COLMER. First I should like to compliment the gentleman from Pennsylvania [Mr. GAVIN] who is himself a great conservationist, upon the splendid statement he is making. Secondly, I should like to concur in that portion of the gentleman's remarks concerning this transfer. I should like to say in that connection that some of my forestry people were very much concerned about this transfer from the Department of Agriculture to the Department of the Interior. I am glad publicly to attest that they have no reason to be concerned, because I agree with the gentleman that the transfer has certainly not been to the injury of the Forest Service. I thank the gentleman.

Mr. GAVIN. I thank the gentleman for his contribution. I want to point out that we have these 60 million acres of land, Federal and private. If we plant on the basis of a half a million per year, it is going to take us 60 years to rebuild these great forest areas. I visited several foreign countries last fall and I saw at first hand the terrible results of permitting land to become denuded and the soil to wash away, to erode, and go into the rivers and streams; lost forever. It is too late in many of these countries to do anything about it. We have poured millions of American dollars into tree-planting programs far removed from our own shores, and it is about time that we do something about this unproductive land we have and plant these millions of acres in order to make them productive so that the generations that follow us will have the same opportunities that had been given to us.

I can take anyone up through my State of Pennsylvania in certain areas where they ruthlessly slaughtered the forests and there have been over the years tremendous runoffs and great soil erosion. This neglect has been devastating. We should now rehabilitate, protect, and reforest our nonproductive land so that future generations will be able to carry on. On a recent visit to the countries of Europe I saw it first hand these denuded, barren hills, the eroded lands, the worn-out soil, I thought at the time that this, too, can happen to America. Today we must be thinking of the generations that will follow us and give our forest soils and waters the protection necessary for them to carry on. One very important feature of this whole conservation program is planting trees to stop these recurring devastating floods that are periodically visited upon us every spring and fall, to stop this terrible and devastating land erosion.

Here we come along with a small appropriation of less than $500,000 for this most essential and necessary program. The States are putting up $1,600,000. We appropriate $447,000. To me the production of trees to grow timber for future generations is one of the most important things for this House to consider, however. Nobody seems to be much concerned about it. I had two volumes that just came across my desk recently from the Foreign Operations Administration on the development of a country in South America. As I looked them over I was concerned why we do not have an American Operations Administration to make a study of our own problems that concern the future growth, development, welfare, and progress of this great country of ours.

This appropriation is only a very small amount, $447,000. It does not even match what the States are doing, $1,600,000. However, I felt that in requesting a $400,000 increase, it would be a step in the right direction. I sincerely hope that the Members of this House will favor the amendment to increase this appropriation at least to the amount that I have suggested.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GAVIN] has expired.

Mr. GAVIN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. WIER. On behalf of the State of Minnesota, I should like to say that we have exactly the conditions the gentleman has described today. We are trying to do something about it, by setting up our own seedling activities through State institutions. I want to associate myself in this great work to which the gentleman from Pennsylvania [Mr. GAVIN] has devoted so many of his years of service.

Mr. GAVIN. I ask you today to seriously consider this amendment for an additional $400,000 for this program. It is a small amount of money, considering our national budget of some sixty or more billion dollars. Let us think about planting trees to produce timber so that the boys and girls that come after us in the next 50 or 75 years will have an opportunity to have timber to meet the needs of our economic life and the demands that will be made upon them for the tremendous increase in our population over the years.

I think this is a very worthy amendment, an appropriation that will give us the desired resules, not that we will benefit by it, but the Nation will benefit by it, and the generations of tomorrow will profit by the action that you take here in the House today.

Mr. FENTON. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Pennsylvania.

Mr. FENTON. Does the $400,000 the gentleman seeks to have added to this bill include the whole country or just Pennsylvania?

Mr. GAVIN. I might say to my very good and able friend from Pennsylvania that it includes the whole country. I also want to state at this time that the people of the 12th District of Pennsylvania are most fortunate in having my colleague, the gentleman from Pennsylvania [Mr. FENTON], to represent them in the Congress.

The only appropriation you have in the bill is for $447,000. The Clarke-McNary Act permits us to spend up to $2,500,000, which the Bureau of the Budget has never recommended, and nobody seems to be concerned to have the Bureau of the Budget to recommend it. I trust this amendment will pass.

Mr. KIRWAN. Mr. Chairman, I rise in opposition to the amendment, although I do not like to do it to my good friend and colleague from Pennsylvania. He appeared before the committee. We were very generous with him. He was listed for 10 minutes and we gave him 45 minutes of time; and I think he got his money's worth that morning.

After we listened to him we granted him 2 of the 3 things he spoke about. We restored $1,083,690 that the budget had taken out for fire suppression. Then we earmarked $330,000 for blister rust control. We doubled what they asked. But I do not think we should give this amount he is requesting today. I am for trees all over this country. I love to see them. As I said when I started speaking here, you can get on the train at the Union Station and get out as far as Silver Spring and there you will see the destruction the American people have done to this fine land.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Minnesota.

Mr. WIER. There is a tendency in the Congress to say that whatever help is asked of the Federal Government the States themselves ought to initiate a similar program and participate with some finances of their own. I am sure, as the gentleman from Pennsylvania stated, that Pennsylvania has done that.

Mr. KIRWAN. They ought to do it.

Mr. WIER. Minnesota has also subscribed to the reforestation program. We have thousands and thousands of acres of cutover land lying there useless. We are attempting to do just what I tried to describe, start a program to raise some of our own funds and then ask the Government for help, and the Government after all is greatly responsible for this tree cutting in days gone by.

If Minnesota wants to spend another $2 million, is it the position of your committee as representing the Department here that there is only so much that the Department here will approve

with matching funds in spite of what the State of Minnesota will do, or the State of Pennsylvania will do in reforestation?

Mr. KIRWAN. I am for what the gentleman from Minnesota is talking about. I have been for the 13 years I have been in Congress. I have always maintained that this bill should be for $2 billions. But 2 of the 3 things the gentleman asked for were beyond the budget. We allowed the full budget estimate. I am for spending a billion dollars for America, for every bit of it, whether it is for Ohio, Pennsylvania, Minnesota, or any other State. We tried to give every dollar the budget asked for on this particular item. That is why I am asking you this afternoon to defeat this amendment. My good friend from Pennsylvania appeared in behalf of a number of items. We granted two of them. We are beyond the budget right now. I ask you to let us forget this one.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. GAVIN. In my opening remarks I expressed my gratitude for the consideration that had been given me when I recently appeared before the committee, I certainly want to pay tribute to the gentleman as a great conservationist and also to say that the committee is also eminently qualified to handle the appropriations for the Forest Service. I am very appreciative of the consideration which was given to me when I appeared, and I am most pleased with the action taken by the committee and subcommittee. However, this is one item, this seedling program which year after year has been given little consideration. I do not intend to pursue the matter further, but I do want to call the attention of the House to the fact that this particular matter does need to be revalued and more consideration given in the future than it has been in the past. The committee, I might say, have reported a splendid bill and deserve our hearty commendations for their fine work.

Mr. KIRWAN. I must say that when it comes to trees, streams, and other conservation measures, there is no better man in America and in the Congress than the gentleman from Pennsylvania [Mr. GAVIN].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GAVIN].

The amendment was rejected.

Mr. METCALF. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD with reference to the administrative provisions on page 12 and the Forest Service on page 28 of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. KIRWAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5085) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes, directed him to report the bill back to the House with an amendment with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. KIRWAN. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

REPEALING SECTIONS 452 AND 462, INTERNAL REVENUE CODE OF 1954

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 191) providing for the consideration of H. R. 4725, a bill to repeal sections 452 and 462 of the Internal Revenue Code of 1954, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4725) to repeal sections 452 and 462 of the Internal Revenue Code of 1954, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Pending that, I yield myself such time as I may consume.

Mr. Speaker, this is a closed rule for the consideration of the bill (H. R. 4725), a bill of a very highly technical nature, which seeks to correct certain frailties in the tax bill, whereby certain taxpayers are receiving unexpected windfalls.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. McCORMACK. The gentleman means the tax bill of 1954?

Mr. COLMER. I thank my friend for calling attention to that. It is the tax bill of 1954.

Mr. Speaker, if closed rules are ever justified I assume this is certainly an occasion when they are, because this bill specifically sets out to do one thing, that is, to correct a situation that has developed and has been brought to light in the administration of the tax bill of 1954.

Mr. Speaker, the bill will be explained by the distinguished chairman of the Committee on Ways and Means, the gentleman from Tennessee [Mr. COOPER] and the ranking minority member, the gentleman from New York [Mr. REED] and other members of the great Committee on Ways and Means, and I shall not attempt to explain it myself.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. ALLEN of Illinois. This was reported unanimously by the Committee on Ways and Means?

Mr. COLMER. That was the testimony before the Committee on Rules.

Mr. ALLEN of Illinois. And the Treasury Department agreed?

Mr. COLMER. That is correct. In fact, the Treasury recommended the enactment of this bill.

Mr. ALLEN of Illinois. Mr. Speaker, I have no requests for time on this side.

Mr. COLMER. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4725) to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4725, with Mr. ASPINALL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Tennessee [Mr. COOPER] will be recognized for 1 hour, and the gentleman from New York [Mr. REED] will be recognized for 1 hour.

The Chair now recognizes the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may have permission

to extend their remarks at the close of the general debate on the pending bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COOPER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the pending bill was unanimously reported by the Committee on Ways and Means.

I introduced this bill to carry out the recommendations of the Secretary of the Treasury which are contained in a letter addressed to me, dated March 7, 1955, which reads as follows:

MY DEAR MR. CHAIRMAN: This supplements my letter of March 3 concerning the operation of the two new accounting provisions covering deferred income and reserves for estimated expenses (secs. 452 and 462 of the Internal Revenue Code of 1954). Our studies now have proceeded far enough to indicate clearly that many taxpayers are planning to use these provisions to defer income and create deductions in excess of anything contemplated at the time they were proposed.

The objective of these sections was simply to conform tax bookkeeping with business bookkeeping. They never were intended to cover innumerable items some taxpayers apparently intend to claim. If permitted to remain in the law, they will cause a greater loss in revenue than estimated and cause considerable litigation. We are not able to adequately correct this by regulation. Accordingly I recommend that the two provisions cited above immediately be repealed retroactively to their original effective dates.

Our report and recommendations on various other technical corrections in the 1954 code will be ready soon.

Sincerely yours,

G. M. HUMPHREY.

So far as I know, no one disputes the equity of the principles involved in these provisions. It is my recollection that they were unanimously agreed to when our committee considered them last year. However, this was done with the understanding that the loss of revenue involved in all of the accounting provision changes which were being made by the House bill—of which these two provisions were only a part—would only be $45 million. As the bill became law, it was estimated that this revenue loss would be $47 million.

As the Secretary's letter points out, this loss was considerably underestimated. From the incomplete information now available, it appears that the loss from these two provisions alone may well exceed $1 billion.

Our committee held 4 days of hearings on this bill, and many witnesses urged that instead of repealing the provisions outright, they be amended so as to cushion the impact on the revenues. We carefully considered these recommendations, and decided that even though the principles involved in these provisions are sound, it will take considerable study before they can be worked out so as to avoid the transitional revenue loss.

The committee did instruct the staffs of the Treasury Department and the Joint Committee on Internal Revenue Taxation to study these provisions and to report back to the committee as soon as feasible. These instructions are contained in the committee report and also in a resolution offered by the gentleman from New York [Mr. REED], which was unanimously adopted by the committee.

For the information of the Members, I will discuss briefly the sections of the bill and under permission to revise and extend my remarks, I shall include in the RECORD a detailed discussion of the sections of the bill.

SECTION 1

Section 1 of the bill is the fundamental section. It is this section which repeals the two accounting sections—section 452 of the 1954 code dealing with prepaid income and section 462, dealing with reserves for estimated expenses.

Section 462 of the Internal Revenue Code of 1954 was designed to permit a taxpayer on the accrual basis to take a deduction for reasonable additions to a reserve for estimated expenses. That section allowed taxpayers deductions for additions to reserves for estimated future expenses which are related to the income reported in the current year. The additions to the reserves were deductible under that section only if the expenses were for regular deductible items and if the Treasury Department was satisfied the reserve item was a type which could be reasonably estimated. The section also continued the provisions of the 1939 code which allowed in the first year of the change deduction for expenses actually paid in the current year although they relate to income reported in earlier years.

An illustration will indicate the operation of this section 462. Assume that a company manufacturing appliances guarantees the satisfactory operation of its product for 1 year. Assume also that it sells one of its appliances for $50 in December 1954 and that based on its previous experience it has found that it takes an average of $2 for each appliance to keep it in satisfactory operation for a year. Section 462 in this case would permit a taxpayer to deduct in 1954 the $2 expense which it expects to incur in 1955. Also, in 1954, the taxpayer is entitled to take a $2 deduction for the amount actually paid in 1954 to repair an appliance sold in 1953.

Thus in 1954 a taxpayer is entitled to a $4 deduction, consisting of a $2 addition to reserves for estimated expenses and the $2 for expense actually incurred in that year. Under the 1939 code he was entitled to a deduction for only $2 of expense actually incurred in that year.

The objective of this section was very sound, that is, of timing the deduction of the expense so that it could be taken in the year in which the income was received. At the time of the enactment of the 1954 code it was estimated that the revenue loss involved would be less than $50 million. However, it now appears that under the wording of the section taxpayers are claiming innumerable items as estimated expenses and that the section if left in the law will result in a substantial loss of revenue during a period when the Government is operating at a deficit. From the preliminary data now available it appears that the loss may well exceed $1 billion.

Because of the general language of the section it is believed that many taxpayers will seize the opportunity to claim estimated expenses far beyond what was contemplated at the time the Congress adopted the section. The result will necessarily be protracted and costly litigation. In fact the committee's attention was called by the Treasury to the figures of several very large corporations where their net income would be either eliminated or greatly reduced because of this provision. The Treasury is of the opinion that serious deficiencies exist in the provision which cannot be corrected by administrative action and that it will take considerable study and analysis before a satisfacory solution can be developed. For this reason I feel that prompt repeal of this section is necessary to guard against unintended and unexpected revenue loss. The Committee has instructed the staff of the Treasury and the staff of the Joint Committee on Internal Revenue Taxation to study this provision and report back with a solution overcoming the large revenue loss which the section as now written would produce.

Section 1 of the bill also repeals section 452 of the code which allows accrual basis taxpayers to postpone the reporting as income, payments received in the taxable year for work or services to be performed in later years which for accounting purposes should be matched with the expenses of later years. However, under the section the income could not be spread over more than the next 5 years and if taxpayer dies the full amount of the payments must immediately be reported as income.

For example, if a club received $24 of dues from a member on December 1, 1954, for the period from December 1, 1954, to November 30, 1955, under the law before the 1954 code the club would have to report the entire $24 as income in the calendar year 1954. Under section 452 of the 1954 code the club could report just one-twelfth of the dues, or $2, as income in 1954 and could postpone until 1955 the reporting of the remaining eleven-twelfths of the dues, namely, the $22. Section 1 of the bill before you repeals this 1954 code provision and restores prior law.

The committee also believed that section 452 had a great deal of merit in attempting to conform to sound accounting principles. However, the Treasury in recommending the repeal of section 462 also stated it was necessary at the same time to repeal section 452. It was pointed out to our committee that taxpayers who would normally use section 462 could in the absence of section 462 accomplish the same result in many cases under section 452 by merely changing the form of the transaction. For example, under section 462 it is possible to set up a reserve for estimated expenses attributable to fulfilling obligations of servicing and repairs under a product guaranty. If section 462 only were repealed, these taxpayers simply by changing the form of the transaction could defer under section 452 that portion of the income from the sale of the product which is attributable to the liability for future servicing and repairs under the guaranty. Moreover, the Treasury pointed out that under section 452 while a large portion of the income could be deferred the full expense could still be

deducted in the year in which all the income was received. For example, assume corporation X, a real-estate company in the rental business, rented on January 1, 1954, a house for $200 a year for a period of 5 years, all of the rent to be paid in advance. Under the contract the company received $1,000 in rent during the calendar year 1954. Under section 452 this rent could be spread over a period of 5 years and, therefore, the company would only have to report $200 rent for each of the 5 years commencing with 1954. If the commissions and expenses of negotiating the lease amounted to $200, all of this expense could be applied under this section against the $200 rent reported in 1954 and thus eliminate the rental income for that year. This result might have a serious effect upon the revenue. Accordingly, the committee believed it important to repeal section 452 as well as section 462 and instructed the Treasury and joint committee staffs to make a study of this section with the possibility of bringing in corrective suggestions.

SECTION 2

Section 2 of the bill contains only technical amendments necessary to conform other parts of the code to the repeal of the two accounting provisions.

SECTION 3

Section 3 of the bill contains the effective date. It provides that the two accounting provisions are to be repealed as of the date they were first made effective in the 1954 legislation. Thus sections 452 and 462 of the 1954 code are repealed for taxable years beginning after December 31, 1953, and ending after August 16, 1954, the effective date of the 1954 code.

SECTION 4

Section 4 of the bill contains what are called savings provisions, that is, provisions designed to place taxpayers as nearly as possible in the position they would have been in if the two accounting provisions had never been made a part of the 1954 code.

Subsections (a) and (b) of section 4 provide that in the case of taxpayers who have claimed—either on their returns already filed or on their books—items in reliance on sections 452 and 462, no interest or additions to tax will be chargeable as a result of the repeal of these sections if on or before September 15, 1955, they file a statement reporting such additional amount.

For example, assume a corporation on a calendar-year basis had filed a return requiring the payment of a $10 tax and completed the payment of this amount by June 15. If the corporation's tax was increased by the repeal of these accounting provisions to $12, it would have through September 15 to file a statement and pay the additional $2 of tax. If payment was made by that date, no interest would be charged on this $2 underpayment. If the payment is not made by September 15, interest would have to be paid on it from the date of passage of this bill. No interest will be chargeable on such amounts for the period prior to this bill's passage.

Provision is also made that no additions to tax or civil penalties are to be payable if the extra $2 tax liability is paid by September 15, 1955.

Subsections (a) and (b) of section 4 also contain a loophole-closing provision which I believe can best be explained in terms of an example. Suppose that the taxpayer's return was not due until June 30, long after I hope this bill is enacted. He might be interested in postponing the payment of as much of his tax as possible so long as he does not have to pay interest. With section 462 in the law his tax liability as I indicated before might be $10. With the repeal of this section his tax liability might be $12. However, by setting up all kinds of fictitious reserves not permitted by section 462 he might claim his tax liability was only $5. Then by September 15, he might plan to wipe out any interest and penalties by paying the $7 he still owed—the difference between the amount paid and the $12 due because of the repeal of section 462. However, a provision in this bill provides that the interest is to be due on the total amount payable unless the taxpayer establishes to the satisfaction of the Treasury Department that his claiming his tax liability to be $5 instead of $10 was based on a reasonable interpretation of sections 452 and 462.

Subsection (c) of section 4 contains other provisions designed to place the taxpayer who files the statement and pays his addiitonal tax by September 15 in the position he would have been in if sections 452 and 462 had never been a part of the law. The most important of these provisions is contained in paragraph (3).

This paragraph provides that if the taxpayer is required to make a payment to anyone else as a result of the passage of this bill, and the 1954 code provides that the payment is to be made within a certain period if it is to be claimed as a deduction or exclusion in computing taxable income, then the taxpayer may claim the deduction or exclusion if he makes the payment by September 15, 1955.

For example, assume a corporation is required to make a payment of $10 into a profit-sharing trust. This payment is deductible in computing the taxpayer's net income only if paid on or before the date prescribed for filing the taxpayer's return. This date has expired. The $10 payment is computed according to a certain percentage of the net earnings of the corporation. As a result of the repeal of sections 452 and 462 the net earnings of the corporation are increased and the required payment will be increased from $10 to $12. The bill authorizes the deductibility of the extra $2 if paid into the fund on or before September 15, 1955.

Subsection (c) also contains a provision which provides that the repeal of sections 452 and 462 are to be ignored in determining whether penalties or interest is to be imposed with respect to the payments of estimated tax provided for under the declaration system.

In repealing sections 452 and 462, the committee believes it important to continue in effect certain rulings of the Treasury permitting accrual of vacation pay under certain circumstances. It also does not desire to disturb rulings under the 1939 code as they affected permissible accrual accounting provisions for tax purposes, including the treatment of of prepaid newspaper subscriptions. In this connection, I wish to quote the following letter from the Secretary of the Treasury, dated March 22, 1955:

MY DEAR MR. CHAIRMAN: This letter will confirm the statements made to you today by Treasury representatives.

I assure your committee that if H. R. 4725, as reported out by your committee, is enacted, as I earnestly hope it will be, the Treasury Department will apply revenue ruling 54–608 (relating to the accrual of vacation pay) only to taxable years ending after December 31, 1955.

Furthermore, the Treasury Department will not consider the repeal of section 452 as any indication of congressional intent as to the proper treatment of prepaid subscriptions and other items of prepaid income, either under prior law or under other provisions of the 1954 code. In other words, the repeal of section 452 will not be considered by the Department as either the acceptance or the rejection by Congress of the decision in *Beacon Publishing Co.* v. *Commissioner* (218 F. (2d) 697, C. A. 10, 1955) or any other judicial decision.

It is my understanding that the foregoing is consistent with the desire of your committee, with which I agree, that the repeal of sections 452 and 462 should operate simply to reestablish the principles of law which would have been applicable if sections 452 and 462 had never been enacted.

Sincerely yours,

G. M. HUMPHREY,
Secretary of the Treasury.

I urge the passage of the pending bill.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Texas.

Mr. PATMAN. Will the gentleman explain to us about the repeal of the narcotic peddlers' penalty section in H. R. 8300 that passed last year? It is my understanding that it passed so hurriedly and so quickly that the penalty was inadvertently repealed, and after a long period of time there was no penalty against narcotic peddlers in this country because of that.

Mr. COOPER. The situation is this: In the undue haste of considering and passing the bill H. R. 8300 last year, which became the Internal Revenue Code of 1954, the penalties for certain narcotic violations were left out.

The result was that for a period of 20 days—from January 1 of this year to January 20—these penalties for certain narcotic violations were not included in the law.

The Treasury Department finally discovered the mistake and, as I understand, brought it to the attention of the distinguished gentleman from New York [Mr. REED], who was chairman of the Committee on Ways and Means during the last Congress. But it was, I believe, in the month of October; Congress was not in session; there was nothing he could do about it. Immediately upon the convening of this Congress, therefore, in January of this year, the Treasury Department brought the matter to my attention as the new chairman of the Committee on Ways and Means, urging that this mistake be corrected. I promptly called a meeting of the Committee on Ways and Means which was

the first meeting held by the committee during this Congress and submitted the matter to the committee with the representatives of the Treasury Department there. The committee authorized me to introduce and secure the passage of a bill to correct that mistake. The result was that I did introduce and secure the passage of the bill by unanimous consent, I believe in less than 10 minutes' time, to correct a mistake which was brought about by the passage of the Revenue Act of 1954 which, by reason of this mistake, left out any penalties for certain narcotic violations.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Ohio.

Mr. JENKINS. Being a member of the committee, as far as I know we had no information that anybody took advantage of that oversight and we lost no revenue, so far as any information that came to our committee is concerned. We did not lose a dime by reason of it.

Mr. COOPER. It was not a question of losing revenue. It was a question of the entire narcotic underworld of the United States being turned loose without fear of any criminal penalties for certain narcotic violations.

Mr. PATMAN. Is it not a fact that any indictments that were presented during that period of time, of course, would have to be quashed because the law was not effective?

Mr. COOPER. That is correct. If there was no law in existence, you could not prosecute anybody for violating a law that did not exist.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. The penalty did not lapse until the first of the year; in other words, the old law did not expire until the first of this year. There was this brief period of about 15 or 20 days or so before we finally acted on it. The narcotics people were familiar with this situation. Nobody was prosecuted or arrested, as far as that is concerned, for anything that occurred in that brief period of time, but they waited until they did something subsequent to that time or caught them for an additional offense.

Mr. COOPER. I thank the gentleman for his contribution.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Arkansas.

Mr. MILLS. I think it important myself that the chairman of the committee make it clear in the RECORD in addition to the statement of the Secretary of the Treasury that it is the intention of the committee to reestablish the principles of law which would have been applicable if sections 452 and 462 had never been enacted. That is exactly what the committee was endeavoring to do, and that is the intention of the committee, is it not?

Mr. COOPER. The gentleman is correct, and our report on the pending bill, at pages 4 and 5, clearly states that.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I was out of the Chamber for a few minutes, and I wonder if the gentleman made any statement as to the effect of this bill one way or another on revenue.

Mr. COOPER. I will say to the distinguished gentleman from Massachusets that your committee tried diligently to secure estimates from the Treasury Department and from the staff of the Joint Committee on Internal Revenue Taxation and were unable to get any definite estimates of the effect on the revenue. However, it is my frank opinion out of my years of experience in dealing with these matters that the loss of revenue will run into billions of dollars.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Louisiana.

Mr. BOGGS. Several days ago when the representatives of the Treasury Department were before the committee we attempted to ascertain what the loss might be.

Mr. COOPER. The gentleman from Louisiana asked a number of questions on that subject.

Mr. BOGGS. It was impossible to get any estimate, but I might point out that some of the representatives of business who testified at the open hearings of the committee estimated that the loss would be not less than a billion dollars. I think you can assume that they were making conservative estimates.

Mr. COOPER. We can all make a fairly reasonable estimate on a matter of this kind when sufficient data is available. When you allow business to take 2 years of expense in 1 year, just multiply that by all the businesses of this country and the volume of items some thought were covered by these provisions, and anybody knows that the loss of revenue is bound to be a tremendous amount.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Minnesota.

Mr. JUDD. When the committee last year was considering the provisions which this bill will repeal, was the potential or probable loss of revenue pointed out? I do not recall that during the debate on the tax bill, it was pointed out that this condition would develop as it has.

Mr. COOPER. As the gentleman may recall, as he was a distinguished Member of this House during the last Congress as he has been for several Congresses, during the consideration of the bill H. R. 8300 last year the Democratic members of the Committee on Ways and Means, who were then in the minority, pointed out in the report and I stated in my speech in the House that the bill was considered with such haste and such inadequate and insufficient consideration was given to it that there was no doubt that many mistakes were included in it and it would take a long time to correct all of those mistakes in the future. In addition to the mistake made with respect to narcotics, which was mentioned awhile ago, and the mistake that is here sought to be corrected, that could result in a loss of billions of dollars of revenue, the Treasury Department now tells us that they have already discovered 70 mistakes, some clerical and some substantive, in the bill passed last year. In a letter I read from the Secretary of the Treasury dated March 7, his last sentence is:

> Our report and recommendations on various other technical corrections in the 1954 code will be ready soon.

Mr. JUDD. But it is true that this particular mistake was not recognized by any of us until after the bill was passed; is that not correct?

Mr. COOPER. When we made inquiries in committee as to the effect on revenue of these accounting provisions, we were told that all the accounting provisions recommended and urged by the Treasury Department would lose about $45 million revenue. After the bill went to the other body, some additions were made and it was then estimated that it would result in a loss of $47 million. That is the picture that was presented to us. Now it is realized that the losses will run into the billions of dollars.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. BOGGS. As a matter of fact, the $47 million estimate included items over and beyond these items. In a breakdown we received several days ago, the estimate for sections 452 and 462 was set at about $35 million, is that not correct?

Mr. COOPER. That is correct.

Mr. REED of New York. Mr. Chairman, I yield myself 15 minutes.

Mr. REED of New York. Mr. Chairman, the bill which is now before us was approved by the unanimous vote of the Committee on Ways and Means. I introduced an identical bill, H. R. 4726, on the same day as did the distinguished chairman of our committee, Mr. COOPER. As a result this technical correction of the Internal Revenue Code of 1954 is a bipartisan matter, recommended by the Treasury.

I shall not offer a technical explanation of this legislation. My distinguished chairman has already presented an accurate and detailed explanation which I could not improve upon.

There has been a lot of talk to the effect that our action last year in approving these two sections which we now seek to repeal was simply to grant a windfall to business taxpayers. In that connection, I would like to point out that only last Tuesday the Committee on Ways and Means unanimously went on record to reaffirm its belief in the soundness of the general objective which we sought to achieve last year. Our committee took this action pursuant to a resolution which I offered.

The resolution is as follows:

> Whereas tax accounting does not in many cases conform to generally accepted principles of business accounting; and
>
> Whereas the law in effect prior to the Internal Revenue Code of 1954 resulted in discriminatory tax accounting treatment between different taxpayers which repeal of

sections 452 and 462 will leave uncorrected; and

Whereas the revenue and other relevant considerations permitting, tax accounting should be brought into harmony with generally accepted principles of business accounting when the latter more accurately reflects the receipt of income and the incurring of expenses: Be it

Resolved, therefore, That the chairman request the staff of the Treasury and of the Joint Committee on Internal Revenue Taxation to undertake a study of this problem, including the feasibility of achieving the above objective and methods of accomplishing the same, the staffs to report back to the committee the results of their study as soon as practicable.

Mr. Chairman, there are some who have seized upon this particular problem as a means of casting uncertainty and suspicion upon the entire tax-revision project enacted last year, represented by the Internal Revenue Code of 1954. These attacks are part and parcel of a concerted plan to create fear and uncertainty and to undermine confidence of the American people in the soundness of our economy.

I am not one of those who claim that the product of their labors is always perfect. I think we all realized last year when we undertook the tremendous task of tax revision—the first such undertaking in over 75 years—that we would make mistakes and that we would have to reconsider some of the technical problems from time to time. The new tax law covers almost 1,000 pages. It represents thousands of changes in the old law. Obviously, it was unavoidable that problems would arise which would require further consideration.

Mr. Chairman, when one of our great automobile producers builds a new car he tests it for many thousands of miles under actual road conditions. In this way, he turns up the bugs in his product. That is what we are doing now. The great new Internal Revenue Code of 1954 is having its road test. That is the only practical way that we can find out where the law is not working properly.

I have asked the Secretary of the Treasury to furnish us with a list of all other problems which have come to his attention in the operation of the new law. We understand that there are a number of items which need correction. Most of these are of a clerical nature, with absolutely no revenue significance. Those who talk so freely about loopholes in the new law should remember that that law closed some 50 loopholes which had existed in the old tax law. Therefore, I say to you—do not be misled into overlooking the tremendous accomplishment represented by the new tax law. It is truly a monument to all who participated in its development. Whatever its imperfections may be, it has been acclaimed throughout the country as a tremendous improvement over the old law.

Mr. Chairman, we have been hearing a lot of talk about the new tax law being a rich man's tax bill. I suppose that there are some who sincerely believe that there is some political advantage in spreading this type of misrepresentation. I am going to set the record straight once and for all on this matter. Of course, the tax-revision bill was not designed primarily as a tax-reduction measure. Its major objective was to correct inequities which had existed under the old law. In so doing, there was an incidental reduction of individual income taxes amounting to $827 million. In addition to this, the bill included tax reductions for corporations estimated at $536 million. That is the first fact to get straight—of the total tax reduction contained in the tax-revision bill, about 60 percent went to individuals and only about 40 percent went to corporations.

Now, let us see how the $827 million individual income-tax reduction was distributed between the different income groups. It is estimated that approximately 40 percent of that relief was for the benefit of taxpayers with incomes below $5,000 and that about 60 percent of the relief went to individuals with incomes above that amount. There is no substantial disagreement with these figures.

It is, of course, true, Mr. Chairman, that some of the particular relief provisions were more to the benefit of one group than another. For example, I recognize that a substantial portion of the tax reduction on dividends is for the benefit of those with incomes above $5,000. On the other hand, almost the entire $130 million provided for working-mother child care is estimated to go to those with incomes below $5,000. In addition, approximately two-thirds of the tax relief for retired people goes to those below $5,000. These two provisions alone provide together about $50 million more tax relief for those with incomes below $5,000 than does the entire dividend provision provide with respect to those with incomes above $5,000.

Therefore, those who seek to create the impression that the Internal Revenue Code of 1954 provides little or no relief for small taxpayers are simply not telling the truth.

I have stated that about 40 percent of the individual income tax relief contained in the tax-revision bill went to those with incomes below $5,000. Perhaps there are some who will say that this proportion represents an improper and inequitable distribution of the tax relief. In that connection, let me point out this fact—taxpayers with incomes below $5,000 today bear about 29 percent of the total individual income-tax burden. Therefore, the tax-revision bill gave 40 percent of the individual income tax relief to those who bear 29 percent of the existing burden. On the other hand, the same bill provided 60 percent of the individual income tax relief to those who bear 71 percent of the burden. I would never for a moment deny that taxpayers of small incomes are hard pressed by present taxes. Those taxes must be reduced at the earliest possible time. But let us be fair in this matter. Let us not seek to create the false impression that people with incomes above $5,000 are somehow escaping taxation. Let us not be carried away by demagogery.

Let us turn now for a moment to the 10-percent reduction in individual income taxes which took effect a year ago last January 1. We are apt to overlook the fact that that individual income tax reduction totaling $3 billion many times outweighed the relatively small tax relief to be found in the revision bill. The $3 billion tax reduction amounted to about 10 percent for those in the lower brackets and ranged down to a reduction of only about 1 percent in the upper brackets. That was no rich man's tax bill. Some of my friends on the other side of the aisle have said that the increase in social-security tax more than offset the income-tax reduction in the case of some lower bracket taxpayers. That was true. However, you know and I know and the workers of America know that the social-security tax is a contribution toward the workers' own retirement system. The increased tax was simply an increased investment by our working people in their own retirement security and in the survivorship protection for their wives and children. The American people will receive back that increased contribution in the form of future social-security benefits. I point this fact out because I do not think it fair to confuse the income-tax reduction effective January 1, 1954, with the social-security tax increase which took effect at the same time.

The total $3 billion individual income tax reduction was distributed by income groups as follows: 31 percent of the relief went to individuals with incomes below $5,000 and 69 percent of the relief went to those above $5,000. Approximately 25 percent of the reduction went to those with incomes between $5,000 and $10,000. As a result, more than half of the relief went to those with incomes below $10,000. Again, I would like to point out that this distribution of the relief almost exactly paralleled the existing distribution of the total income-tax burden. Moreover, the 1954 tax reduction was distributed in almost exactly the same manner in which the 1951 tax increase had been distributed. Under the 1951 Revenue Act, almost 70 percent of the tax increase was imposed upon those with incomes above $5,000. It seemed only fair that we should reduce taxes in the same manner by which we had previously increased them.

It can properly be pointed out that the $3 billion tax reduction which took effect January 1, 1954, had been written into the law by a Democratic Congress. Of course, that reduction could never have been given reality had not the Republican Party succeeded in slashing at least $11 billion from the Democratic spending program. But, to be fair, the law was written by the Democrats. Now let me remind you that that tax cut, designed by the Democrats, gave only 31 percent of the relief to those with incomes below $5,000. The Republican tax-revision bill, on the other hand, gave 40 percent of the relief to this same group—almost half again as much.

Personally, I regret exceedingly this continued Democratic emphasis on income classes. I was brought up in the tradition that we did not have classes, as such, in this great country of ours. I was taught that every American stood as an equal among his fellow Americans. I still believe that this principle is basic to our way of life. I have demonstrated

that the continued Democratic efforts to label the Republican tax program as a rich man's program and as discriminating against the little taxpayer are without any foundation in fact. Such political propaganda adopts the theory of class struggle which is foreign to everything for which America stands.

Mr. Chairman, only the day before yesterday, the Department of Commerce reported that some 41 percent of American families have incomes of $5,000 a year or more. Fifty-five percent receive incomes of more than $4,000 a year. More and more, we are becoming a Nation of middle-income people. As a result, I have been shocked at the persistent campaign of slander and villification directed at this great group of Americans. I do not think that it is even good politics. I believe that this propaganda will be repudiated by the great majority of independent-thinking citizens.

Mr. Chairman, I have been increasingly astonished and alarmed at the pattern of Democratic tax philosophy as it has unfolded within the last year. Let us look at the record.

First, my friends on the other side of the aisle proposed a $100 increase in exemptions. Under other circumstances, this might have been a perfectly reasonable approach had not budget considerations prohibited its adoption. However, it was soon realized that such an exemption would give more relief to the upper-bracket taxpayer. The millionaire paying over $800,000 in taxes annually would receive $87 of tax relief while the small taxpayer would only receive a $20 reduction. So this year the exemption approach was abandoned and a $20 tax credit substituted to insure that everyone would receive exactly the same tax relief, completely ignoring the highly progressive nature of our present tax structure. But, Mr. Chairman, even this approach was soon abandoned, apparently on the ground that $20 was too great a reduction for the upper brackets. In the other body, a plan was proposed which would in effect have denied any tax relief whatsoever to American families with incomes of $5,000 or more. In other words, the 41 percent of American families who bear about 70 percent of the entire income-tax burden were to get no relief whatsoever.

Mr. Chairman, that was class legislation with a vengeance. I wonder what the next move in this program will be. The only step which would seem logically to remain is for the Democratic Party to recommend increasing the taxes on families with incomes of over $5,000.

Mr. Chairman, I want to say a few words at this point. I do not think that anyone in his right senses can criticize the work that the Committee on Ways and Means did last year in formulating this revision. We heard over 500 witnesses. We had the use of about 500,000 man-hours of experts on this bill. It was a job that had to be done then. Nobody knew when it could be undertaken again.

We have heard here from the distinguished chairman that there are other corrections to be made. Of course, there are. While they have enumerated some seventy, I asked the question, How many of those were clerical? They said about 30 of those were matters of commas, semicolons, and just clerical errors. There will be those, of course, in correcting this great bill of 1,000 pages. It is a wonderful piece of work, and the marvelous thing about it is that during all this time, outside of these criticisms here, it has received commendations from one end of this country to the other by the leading tax lawyers and experts of this country. Now, everyone of us dedicated his time to sit there and hear these 500 witnesses and try to get down to the bottom of this thing. And, I will say for the distinguished chairman, he never missed a meeting. He was there every day. And we were running these hearings many times until midnight, and when we did, without asking one of our experts or the stenographers—and we had many of them—stay from 5 o'clock until midnight, each one of them was there when we adjourned. Every person engaged in this work dedicated himself to this task for the good of his country and for no other reason. I have no patience with those who, for political reasons, now want to try to emasculate this bill and condemn it from one end to the other.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, my distinguished friend and former chairman of the Committee on Ways and Means a moment ago talked about those who wanted to emasculate the new code and implied that this was a political move. But what are the facts? We are here today repealing two sections of that code at the request of the Republican Secretary of the Treasury, Mr. Humphrey. As a matter of fact, he came before the committee in quite a hurry and said that we must do this post haste. This was, of course, the second time that he or one of his representatives had been before the committee.

He first came shortly after this Congress convened when the Treasury Department realized that they left out all of the penalty provisions in the narcotic section. I believe that we can expect rather than political emasculation, as my good friend from New York [Mr. REED] says, that the Treasury Department will be back before the committee asking us to adopt other amendments.

You will be interested in knowing that on day before yesterday Mr. Williams, of the Treasury Department, said that as of this time he knew of approximately 70 corrections which have to be made in the revenue code of 1954. Now, if blame attaches here, where does it attach?

I was quite interested in hearing the distinguished Secretary of the Treasury making statements before the Committee on Ways and Means that the members of the committee had to bear the responsibility for the $47-million estimate which has turned out to be an error of at least $953 million, if not a great deal more. Well, now, that is an interesting assumption. If the time comes when the Committee on Ways and Means of the House of Representatives and the Finance Committee of the other body cannot rely upon the estimates of the Treasury Department of the United States, then on whom can we rely? We relied upon the $47-million estimate, although I must say in fairness to the then minority members of that committee that we anticipated difficulties and we probably understated the case. I read from page B6 of the report on H. R. 8300, the Internal Revenue Code of 1954 where the minority said this:

> The staffs of the Joint Committee on Internal Revenue Taxation and the Treasury Department together have spent over 2 years preparing recommendations for this bill. Extensive hearings were held, and some 15,000 replies to questionnaires were reviewed, preparatory to making recommendations to be included in the bill.
>
> In contrast, the committee deliberated on this bill for only one month and a half. In our opinion, such a complete overhauling as this, involving the most complicated laws which the Congress has ever written, would require at least 1 year to fully understand the changes proposed and to intelligently approve existing law as being as nearly perfect as it can be made.
>
> We frankly admit that we do not fully understand or comprehend many of the changes proposed in the bill. Many tax lawyers spend their entire lives keeping posted on certain narrow fields of taxes. In many instances, we were not even given a draft of the proposed changes in the law until the committee began considering them.
>
> We fear that, in the hasty manner in which this most complicated legislation has been handled, we will have to spend many weeks straightening out the law in the future, if the bill becomes law. In the short time which we have had to review the bill—and we were only given a completed committee print a week ago—we have found certain changes which are being proposed which we question. The fact that we have not commented on other changes in the bill does not necessarily mean that we approve them.

I do not think one had to be prophetic to write that section of the report. Nevertheless, it is quite astonishing that the Treasury Department was not able to anticipate the tremendous amount of money involved in these provisions. On the item of vacation pay alone it is not improbable that the amount involved could run as high as a billion dollars. I say this on the basis of some of the returns which have already been made. A few examples show one corporation claiming $23 million, another $35 million, $10 million, $3½ million and so on.

I might point out in connection with the so-called allegations of fairness to business that we have put some of these very reliable business firms in a straitjacket, in a very bad situation. Some of them, acting on the basis of this law had already filed their reports for the year 1954, had already declared their earnings and paid their dividends. Now those same responsible firms must go back and recalculate their taxes under the law as it existed prior to August 1954. I might say this, too, that we wonder how much certainty these corporations feel at this moment with the representatives of the Treasury Department coming before our committee and saying to us that a rather cursory examination of the code now reveals to them at least 70 corrections which must be made in the relatively near future. I would suggest that the lawyers and the corpora-

tion officials and the business executives, must have a feeling of insecurity about what their tax liability may ultimately be for 1954 and 1955.

So it seems to me, Mr. Chairman, just a little bit out of keeping, just a little bit out of place, to be talking about political attacks on H. R. 8300 and using all kinds of names in describing the proposals which have been consistently made by the now majority of this body.

The fact remains that these provisions which we are now repealing were written in at the insistence of the Treasury Department of the United States, and that the Treasury Department did not discover the mistake but it was discovered either by the gentleman from Arkansas [Mr. MILLS] or the gentleman from New York [Mr. ZELENKO]. Even after they discovered it and as of this very moment the responsible fiscal agency of the United States, the Treasury Department, either refuses to or dares not come before this body and make an estimate on the amount of money involved. I have an idea why they will not do it. It is because it is just so big, it is just so much, that they do not want to admit it.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What about the staff of the Joint Committee on Internal Revenue Taxation? They are supposed to be independent, and to advise the committee. Cannot they give a figure? They are not supposed to be owned by the Treasury Department.

Mr. BOGGS. I agree with the gentleman completely.

Mr. McCORMACK. I mean the committee whose chief of staff is Mr. Stam, the Joint Committee on Internal Revenue Taxation.

Mr. BOGGS. It so happened that on this particular section the staff of the Joint Committee on Internal Revenue Taxation did not give an estimate. They were not called upon to give an estimate when the 1954 code was being drafted.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield.

Mr. BYRNES of Wisconsin. Why does not the gentleman tell the majority leader exactly what the chief of staff of the Joint Committee on Internal Revenue Taxation told us?

Mr. BOGGS. He told us that he had not given an estimate.

Mr. BYRNES of Wisconsin. He told us that it was impossible to make an accurate estimate; the same language used by the estimators down at the Treasury.

Mr. BOGGS. Let us look at that for a moment. We put the estimator from the Treasury on the stand the other day and we got to asking him a few questions. I have no fault to find with him. His estimates were based upon the data which were given to him. The trouble was that the information given to him was inadequate.

Mr. BYRNES of Wisconsin. As I understood the majority leader, he was talking about the estimated revenue loss that is actually going to result now from what we understand industry might take advantage of under these two sections, what they now figure the revenue loss will be. My point is that the chief of staff of the Joint Committee on Internal Revenue Taxation said that it is impossible to make that estimate with any degree of certainty, the same answer that the Treasury gave.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Tennessee.

Mr. COOPER. I can give the gentleman from Wisconsin this statement which was furnished by Mr. Stam and included in the report accompanying the pending bill:

> From incomplete information now available, it appears that the loss from these 2 provisions alone may well exceed $1 billion.

Mr. BOGGS. There is an estimate from Mr. Stam.

Mr. BYRNES of Wisconsin. Is not that the same thing the Treasury has been telling you, but they cannot get it down to any definite figure? They said it would be a billion dollars approximately, more or less.

Mr. BOGGS. That is not my recollection. Mr. Smith was before the committee. I believe it was the day before yesterday, and he would not estimate anything and he would not give us any figure.

Mr. McCORMACK. I saw in the paper where the gentleman from Arkansas [Mr. MILLS] said some time ago that there would be a billion dollar loss. And in a letter to the gentleman from Tennessee [Mr. COOPER] the chairman, and I want to be corrected if I am incorrect, in the first letter which the chairman received Secretary Humphrey indicated there would have to be some provisions repealed but he said the amount stated is grossly exaggerated. Is my memory correct on that?

Mr. BOGGS. If my distinguished chairman has the letter, he can quote from it.

Mr. COOPER. I have the letter here from the Secretary of the Treasury, addressed to me as chairman of the Committee on Ways and Means, dated March 3, 1955, and I will quote from it:

> Although the studies made thus far are not finished, it seems clear that some of the recent reports on the revenue loss involved are grossly exaggerated.

Mr. BOGGS. And the disturbing thing about it is that other provisions in the bill, possibly some of these 70 to which I have referred, were subject to the same type of estimates. We do not know what the losses may run to under this bill. It was estimated last year that it would run to $1,400,000,000 and on this one item alone it would run well over $1 billion.

When the Secretary of the Treasury was before the committee, the gentleman from Arkansas and I asked a series of questions about other provisions of the bill, and whether or not we can rely upon those estimates. In no case did we get a categorical "Yes" or "No" answer. There was a great deal of conversation about the depreciation provisions in the bill when we were debating the extension of the excise and corporate tax rates a few weeks ago. At that time I quoted from an article which appeared in the New York Times in which an economist estimated that that loss alone would be over $1 billion in this fiscal year. So that I suspect whether we like it or not we are going to spend a lot of time this year rewriting H. R. 8300.

Mr. Chairman, I yield back the balance of my time.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I cannot quite understand what these Democratic Members on my right are going to do. They unanimously recommended the passage of this bill. I wonder what they are going to do. Are they going to vote for it? Yesterday they were unanimously for it. What is the matter with it today? Is it all gone to seed and all gone to pieces? I just wonder what they are going to do. Of course they are going to vote for it. Then why do they spend so much time in condemning it? I tell you that when this piece of legislation was being written last year, and when we were getting ready the year before to write it, it was something that every man on the Ways and Means Committee was proud of. They were proud of the work as it was being done and they were proud of the work that was done. Of course, some inconsistencies and some errors have been developed. But who developed them? Let me ask my Democratic friends, Did you develop any of them? You did not develop any of them. They were developed by Mr. Humphrey, of the Treasury. Mr. Humphrey came right up before the Ways and Means Committee as soon as he knew about them and told us about them. I never did see a witness come before the Committee on Ways and Means who took better care of himself than did Mr. Humphrey. I think the Democratic Members will agree with me when I say that was the case. What are we going to do about this bill today? We are going to vote for it, of course we are. We know that just within the last 2 or 3 days the Committee on Ways and Means has instructed all of the experts of the committee to go ahead and keep up the work and come back with more corrections. I am the first one, I think, on the committee who asked anybody how many errors they had found. I sat there months and months and helped to write this bill. I do not think anybody was so timid and so inexperienced to think that a great piece of work like a tax bill would come out without some errors.

I asked a question some weeks ago of one of our experts as to how many errors they had discovered. He answered that there will be about 40 mistakes. It is the most gigantic piece of legislature work we have had during my day in this Congress. Many of these Members who are criticizing it today were proud to say that they participated in drawing the biggest and most potent and most satisfactory tax bill that was ever drawn.

So what are they going to do now? Of course they are going to vote for it. Why? They know that even though there are mistakes in it this is a good bill.

We may have lost some tax money by reason of this error. We are not going to lose the money we did not get. Nobody has stolen anything. Nobody is accusing anybody of dishonesty. They paid whatever taxes they owed. You could not expect them to pay more than the law provided. Just as Mr. Humphrey said to some of these critics, "Why did you not correct some of these errors yourselves? Where were you when you were writing the bill? He said he did not write the bill. You folks—meaning the members of the Ways and Means Committee—wrote it. Why didn't you see to it that it did not have any mistakes in it?"

That is the way I look at this. I look at this, and I am speaking in behalf of you who are not members of the Committee on Ways and Means. I am sure you do not understand all the details connected with this legislation. I know some of the members of the Committee on Ways and Means who do not understand them too well themselves. I am one of those. It is a big piece of legislation. So far nobody has shown any dishonesty about it. It is a big, growing piece of legislation that is going to get bigger and better by reason of the fact that we are going to find mistakes in it. I am going to vote for this bill. I am going to help Mr. Humphrey whenever he comes up with any mistakes.

I say to you that everybody who knows anything about it will say that Mr. Stamm, the chief of the staff of experts who wrote this law, is the most capable tax man in America. His staff is the most capable staff anywhere. I heard our good chairman compliment Mr. Williams, the chief of the staff representing the Treasury. I heard him compliment him the other day as one of the fairest witnesses we had ever had before us. I will say for Mr. Williams, that he is also one of the finest tax experts I have ever seen. The Congress should feel safe with men of the caliber of Mr. Stamm and Mr. Williams looking after the drawing of tax bills.

This is a tough job. Those of you who have not had a chance to study this bill, do not be too anxious to get into the study of it, because there is no end to it.

I want to leave this one conclusion with you, that nobody has voiced any criticism against anybody's character or anybody's honesty. But this is a great big growing thing and we are trying to make the best we can out of it.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Was not this a piece of legislation that came out under a closed rule? Had we had an open rule we might have found a lot of these loopholes.

Mr. JENKINS. I cannot agree with the gentleman that the whole House could have written a better bill than the Ways and Means Committee and their experts.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, first I want to say that I think the report of the committee on this bill was excellent and well stated, and I believe if the membership will refer to the weighed language of the report they will get the real facts of the case and perhaps some of this oratory will not have too much influence.

Let me say in behalf of the work the Ways and Means Committee did on H. R. 8300, that the work in my opinion was excellent and I think most of the Members felt so at the time. It is perfectly true that a month and a half of actual committee executive sessions on a bill a thousand pages in length could have been extended. It is a difficult thing in the first comprehensive tax code revision made in 75 years to make no mistakes even with all the work we have done, even though the groundwork has been laid 4 years ahead of time, at least with the studies accountants, lawyers, interested citizens, and so forth, had been making, culminating in the study of the Treasury staff, and the joint committee, the Ways and Means Committee staffs.

I want, and I think properly, to call attention to the part that even with the limitation of time spent, I think in fairness, those who criticize should point out that there was no specific time during our executive sessions and during the consideration and writing up of the bill, that they said: "Now, let us pause here and dig into this particular thing a little more." I think we all recognize that the executive sessions on the writing of this bill could have been extended a very great deal, and I think that is true whenever the House or Senate undertakes to revise a code extensively.

I might say to the gentleman from Louisiana, regarding his particular remarks about the cursory examination of the code by the Treasury revealing 70 changes that should be made: The use of the adjective "cursory" is hardly justified in the light of the testimony we received. It was a very extensive examination looking at every "i" and every "t" to be sure they were properly dotted and crossed, and began back in October and continued to date. Furthermore, I think the evidence is clear that the Treasury had caught this particular error that we are now trying to correct, or began to worry about it back in October, and it did not require a recent speech or publicity on the part of 1 or 2 Members to call it to their attention. As a matter of fact, they had been making a very extensive study of this very thing.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. MILLS. It is true, as I understand the situation, that the people in the Treasury Department began to wonder whether or not they could take care of this situation by regulation back in October.

Mr. CURTIS of Missouri. That is correct.

Mr. MILLS. But is it not also true that those same individuals did not call the matter to the attention of the Secretary of the Treasury until February of this year?

Mr. CURTIS of Missouri. At the date of the hearing when the gentleman asked the question; that is very true. The Secretary of the Treasury did not know about it personally, but I think the gentleman will recall in the testimony that the people in the Treasury pointed out they had just about that time completed the survey they were making and then referred it to him.

Mr. MILLS. Yes. It was about that time that the people under the Secretary of the Treasury's study decided that they could not correct it by regulation.

Mr. CURTIS of Missouri. Yes, and also had finished their samplings as to the possible effect.

I heard the statement the gentleman from Louisiana [Mr. BOGGS] made about losses and the statement the chairman made. I listened very carefully to a rereading of the letter of the Secretary of the Treasury, and it is very clear to me that Secretary Humphreys was not referring to Mr. MILLS' estimate of a possible billion-dollar loss, because I read in the newspapers about that time several statements to the effect that it was $5 billion loss, and I think that was what the Secretary was referring to and that in my judgment is exaggeration.

As a matter of fact, in testimony before the committee, the gentleman speaking for the Public Accounting Association testified that in his judgment which he stated was at best a guess the figure was around half a billion. I do not know where it will be, and I want to emphasize this that the reason Mr. Stamm, head of the Joint Committee on Taxation, and the Treasury cannot give us an estimate is because of the uncertainty of how far-reaching the language is, and it is not because of not wanting to do so; it is because their samplings cannot be that extensive. Actually, as they pointed out to us, the estimates may be high; the figure could be more or less.

Certainly, in regard to the vacation pay item, which the gentleman from Louisiana pointed out as one of the big items, and it is, that was written into the law gack in 1939. Under the law of 1939 the companies could set themselves up to take advantage of that accrued method of accounting without the necessity of these sections we are now repealing and probably many of them would have done so had we not put these sections in. So that the major item of revenue loss is actually going to face us regardless of what we do here.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I think it is also a question of the fact that the taxpayers themselves have the right to elect whether they use it or not. From their samplings so far they have found some taxpayers who could avail themselves of it possibly to their temporary advantage but they have not elected to use these two sections.

Mr. CURTIS of Missouri. That is true. That is true of a lot of these accounting procedures. It is a matter of election, therefore the uncertainty of the estimate

of the revenue loss and what it might be comes from that. Some of them may elect, some may not. It is not an overall revenue loss, nor is it taking a double deduction. You only get the same amount of tax reduction over the lifetime of the company. The timing is the troublesome thing and the fact in this particular year they may double up on exemptions for the same type of thing. But they would lose that exemption when that corporation went out of existence so there is no overall loss.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Ohio.

Mr. SCHENCK. I would like to ask the gentleman a question on a specific point. An insurance agent who sells a casualty policy to operate over a period of 3 or 5 years collects, of course, the premium and his commission for that total contract. He cannot very well assume he has earned his entire commission until the contract has been completed, because in the meantime if the property on which the insurance has been issued is sold, then the owner will request a refund of the premium he has paid for the unearned time. Many insurance agents, therefore, have placed their future earnings in a sort of trust fund and not handled it as income during the current year. I understand that that situation might have been possible under these two sections.

Mr. CURTIS of Missouri. As a matter of fact, the example the gentleman gives is exactly the kind of thing we were trying to take care of. That is good business accounting which really reflects the situation. The business accounting, however, has not been in accordance with tax accounting. The result has been we have been requiring our people to have 2 sets of books, one for their own purposes to run their business properly and the other to conform to our tax system. That is one of the things we had hoped to correct and the committee very positively has stated unanimously we still hope we can go on and correct it so that we may conform our tax accounting to good business accounting.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Arkansas.

Mr. MILLS. The situation described by the gentleman from Ohio would be included under section 452, it is true, but we do not repeal section 452 because of any objection to that particular operation of a spreading of income in that particular case. We are repealing it, or suggesting that the Congress repeal it today, because there are other situations which are included under 452 that we have some question about. Is that not true?

Mr. CURTIS of Missouri. That is true and I thank the gentleman and emphasize that that is true. Actually we wish we could keep section 452, but it was pointed out that the two sections worked together. If we left in 452 people could set up their books not under 462 but in a way where they could avail themselves of 452 and we would still have the same problem. That is exactly why this committee has unanimously requested both the Treasury Department and our own staff to dig into these matters so that we can come up and do what we had hoped we were doing when we originally passed the law.

Incidentally, I want to say that the significant statement of the Secretary of the Treasury, Mr. Humphrey, before our committee was this. He said:

> Gentlemen, I do not believe we could have discovered our errors unless we had actually gone ahead and put this into operation.

It was the putting of it into operation that brought to our attention the extensiveness of the matter. I think it is frequently the case when we go ahead with new legislation which is very comprehensive that things do arise that we do not anticipate, but we never would have advanced to the point of realizing it if we had not tried it. The test of good legislating, in my judgment, and the attitude toward the legislation is being on the lookout for your errors and being ready to move in to correct them just as soon as you discover them. I think that is what we are doing in this instance.

Mr. SCHENCK. Just this one further point. As I understand from both the statement of the distinguished chairman of the committee [Mr. COOPER] and also from the report, the fact that these two sections are repealed makes the whole situation revert to the position it was before these sections were enacted. Is that correct?

Mr. CURTIS of Missouri. That is correct, and that is stated in the letter that Chairman COOPER requested of the Secretary of the Treasury to send to us so that it could be included in the report; so that businessmen and taxpayers and the courts would realize it.

Mr. MILLS. Mr. Chairman, if the gentleman will yield, I would like to say that that is not only the thought of the Secretary, but it is the thought of the committee as to the intent.

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. That is exactly what the committee intends.

Mr. CURTIS of Missouri. Yes. And that is the reason the chairman requested the Secretary of the Treasury to send the letter so it could be put in the report.

Mr. SCHENCK. Therefore, in this instance, if the insurance agent had reported his total income on this long-term contract as of the year in which he earned or in which he received it, and he later finds that he has to refund part of it, then he can take that refunded part as a deduction from his income tax at that time.

Mr. CURTIS of Missouri. That is correct. At that time.

Mr. SCHENCK. I thank the gentleman very much.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. I have no quarrel with this bill, not being a taxpayer, merely one of the vast majority of the American people who deplore both debt and taxation. But I would like to ask the gentleman what, in his opinion, would be the effect if this were not made retroactive. I have a letter here from one of the large companies in this country, and they state—and I can well sympathize with their position:

> We do indicate that a retroactive change in the code with respect to these sections will have most serious repercussions and for small business as well as some large business drastically upsets their economics of business planning for 1955.

Does the gentleman feel that that is being unduly apprehensive?

Mr. CURTIS of Missouri. Yes. We have tried to take individual specific cases in our hearings and follow through on some of the specific complaints of industry, and it is my judgment, and I think certainly the judgment of most of the committee, that the claims are exaggerated; that pain and hurt have been exaggerated. There is no minimizing the fact that we are doing some damage, but the damage in not making it retroactive would be a great deal more than what we are doing here.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Tennessee.

Mr. COOPER. I may point out to the distinguished gentlewoman from New York the main difficulty we are trying to correct is because of the loss of revenue, and the loss of revenue will occur unless it is made retroactive. That is the most impelling part of the problem that we have, is that we have to make it retroactive to prevent the great loss of revenue that would be sustained.

Mrs. ST. GEORGE. Could the distinguished chairman tell me what that loss of revenue would be if it were not retroactive? Has any estimate of that been made?

Mr. COOPER. The Treasury Department is not able to give any estimate. I will give the gentlewoman the best estimate I can.

Mrs. ST. GEORGE. That will be very satisfactory, may I tell the gentleman.

Mr. COOPER. I think it will run to several billion dollars.

Mrs. ST. GEORGE. I thank the gentleman.

Mr. CURTIS of Missouri. I should like to say this to the gentlewoman from New York, that the committee in our studies and when we wrote this legislation had certain specific things in mind that we thought we were covering by these sections. The hearings were made public and were very well covered in the press. We had in mind certain specific inequities we were going to cover. One of them, incidentally, was vacation pay, which we knew about, but we knew also that we had already on our books the privilege of accruing vacation pay. So business, through their accountants and lawyers, were pretty familiar with what our committee was trying to do and what the Treasury was trying to do in this bill.

The difficulties in revenue loss do not arise—unanticipated revenue loss—do not lie in those fields. They lie primarily in the fields where the various

businesses and their accountants—and it is their prerogative—have gone ahead under the particular provisions to apply it to other things that we had not contemplated and did not realize would be used. As far as the injustice to them is concerned, I think that is somewhat minimized, because they were going a little bit ahead of us. I am not too sympathetic with them in those particular fields, although I am deeply sympathetic with them in certain fields that I know about where the damage we have caused or are causing is something that we can not easily repair.

Mrs. ST. GEORGE. I thank the gentleman.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I am glad to yield.

Mr. LOVRE. I want to commend the gentleman and his committee for their desire to retain section 452 if it were possible, because it is my understanding that section 452 is good accounting practice as well as in accordance with good business principles. Am I correct in that assumption?

Mr. CURTIS of Missouri. It permits the use of good accounting practice as applied to tax accounting; yes.

Mr. LOVRE. For the purpose of clarification, am I correct in my assumption that prior to the 1954 law a newspaper organization for tax purposes could prorate subscription income over the life of a subscription if the organization receiving a ruling from the Internal Revenue Service? Am I correct in that understanding?

Mr. CURTIS of Missouri. I believe that is correct. I want to call the attention of the gentleman to some of the language in the committee report that has to do with the newspaper accounting situation, which is at page 5, and also specifically in the letter that the Secretary of the Treasury wrote to the committee which is included in this report.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I am glad to yield.

Mr. MILLS. I realize that the gentleman from Missouri [Mr. CURTIS] cannot give the gentleman from South Dakota [Mr. LOVRE] a positive answer because there are many factors involved under the old law as to whether or not a subscription could be spread over a 12-month period. One of the things involved was, did the company do it in 1940? If it did it in 1940 and some other conditions could be met, under the old law, then it could spread that subscription over the life of the subscription. About 95 percent of the publishing companies, I understand, did receive the benefit of the spread under the old law.

Mr. LOVRE. I have been told that there has been litigation involving this point and the courts have held in favor of the publishing companies.

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. That is the Beacon case. The court took into consideration the fact that the Congress had passed section 452. What the court would have decided in the Beacon case if Congress had not enacted section 452, none of us knows.

Mr. LOVRE. That being true, then there is an inequity and discrimination between the various publishing companies under the old law.

Mr. MILLS. There may well be.

Mr. CURTIS of Missouri. Under the new?

Mr. LOVRE. Under the old.

Mr. CURTIS of Missouri. Yes; that is my understanding.

Mr. LOVRE. I thank the gentleman and I hope that this inequity can be erased shortly and may be in the Senate when this bill reaches that body.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. RHODES of Arizona. May I ask the gentleman from Missouri if he feels there may possibly be some action on the part of the Congress or the Secretary of the Treasury to take care of certain situations in which some little people are being hurt by the enactment of this measure, beyond their control? I have particular reference to a situation which occurred in my district, in which some people who owned a piece of property leased it for 5 years, and took another piece of property as rent for the 5 years. Now they are in the position of having to raise the money to pay the income tax on that involving 1 year. They are not wealthy people and they probably will have a very difficult time raising the money.

Mr. CURTIS of Missouri. The gentleman has pointed out one of the specific cases where a real inequity occurs, but I do not know what we can do about it other than this: I know the chairman of our committee has instructed our staff and the Treasury staff to see what can be done. I am sure that specific situation and others will be taken under consideration. Whether anything can be done, I do not know.

I have one additional collateral matter I wish to bring to the attention of the membership. It has to do with some public misunderstanding of Secretary of the Treasury Humphrey's testimony before our committee on the bill before us.

On March 16, 1955, I inserted into the RECORD, on pages 3085–3086, an editorial appearing in the St. Louis Post-Dispatch on March 13, 1955, entitled "Mr. Humphrey's Blooper" and accompanying this editorial I included a copy of a letter I wrote to the St. Louis Post-Dispatch calling to their attention that the editorial was an extreme case of quoting a public official out of context.

I am happy to advise the House that on March 17, 1955, the St. Louis Post-Dispatch published an editorial entitled "What Secretary Humphrey Said," which very graciously corrects and explains the error of their previous editorial. I am inserting into the RECORD a copy of this editorial.

In spite of the material placed into the RECORD on March 16, 1955, appearing on pages 3085–3086, and in spite of the March 17, 1955, editorial of the St. Louis Post-Dispatch, on Monday, March 21, 1955, the gentleman from Illinois [Mr. PRICE] refers to the original incorrect editorial of the St. Louis Post-Dispatch and then goes on to commit the very same error of grossly quoting out of context the remarks of the Secretary of the Treasury. Obviously my colleague the gentleman from Illinois [Mr. PRICE] had neither seen nor read the material on pages 3085–3086 of the RECORD 5 days before or the correcting editorial of the St. Louis Post-Dispatch appearing 4 days before his remarks. Furthermore, he had obviously not read or discussed with any of his colleagues on the Ways and Means Committee the actual testimony of the Secretary of the Treasury Humphrey. Now that this has been called to his attention I hope that he will be as gracious as the St. Louis Post-Dispatch was and correct his remarks appearing on page 3305 of the RECORD of Monday, March 21, 1955.

That leaves only one further matter to be done. To find out who was responsible for the AP story upon which the Post-Dispatch based its editorial. Any news reporter in attendance at the hearings could have had no misunderstanding that Secretary Humphrey was assuming his share of any blame there might be for the mistake in writing sections 452 and 462 into the Internal Revenue Code revision of 1954 and yet the AP report, according to the editors of the St. Louis Post-Dispatch quoted the Secretary so out of context that the opposite of what he did say was reported. There was no question the day Secretary Humphrey testified there was a concerted move to attack him. This was evidenced not only by the questions and procedure followed by our committee, but was also evidenced by a rash of unfriendly articles by news commentators and columnists immediately following.

It is important for both political parties and for the preservation of our system of government that there he honest public discussion. Honest public discussion can only flourish where there is honest reporting. The hearings before the Ways and Means Committee on March 11, 1955, when Secretary Humphrey testified in other respects have not been accurately reported. From a practical standpoint it is too late to do anything about it now, but it is not too late to start from that point to begin a movement to bring about fairer and more accurate reporting. The reporting profession is an honorable one and there should be no place in it for politicians hiding under the guise of being reporters.

I am hopeful of one thing, that there will not be a constant referral back to the misrepresentation of what Secretary Humphrey did say in future news articles, public comments, and speeches on the floor of the House. I have observed over a period of years that the technique has been used to quote, or misquote, a public official out of context and even when the error has been shown and corrected to continue to refer back to the misquotation as if it were true and fair. The case of Secretary Wilson's statement about the welfare of our country and the welfare of General Motors is a case in point. I finally took the floor of the House on this matter last session to try to keep the floor clear of compounding

this injustice. Although that seemed to end the matter for last session, no sooner had this session started when a Member of the House made a reference to this false quotation. I challenged him and even though he refused to correct himself I am hopeful that we will have no further misquotations on this point this session.

The specific cases I have referred to happen to involve Republicans. I want to make it very clear that I am talking about all quotations out of context or misquotations. I am hardly so naive as to believe that any 1 group or any 1 political party has a monopoly on this technique. I am saying that we all, that is we all who believe in the need for honest public discussion and debate, must fight these techniques whenever and wherever they occur.

Mr. COOPER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to state that our distinguished colleague from New York [Mr. ZELENKO] was the first Member to introduce a bill dealing with the subject now under consideration in the pending bill. He introduced a bill to repeal section 462 of the Internal Revenue Code. He has done a great deal of work on this subject and deserves a great deal of credit for the splendid contribution he has made. He spoke on this subject during the consideration of the tax bill here in the House. I want to give him full credit for the splendid contribution he has made and to acknowledge a debt of gratitude to him for the assistance he has given in meeting and dealing with this problem.

Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. ZELENKO].

Mr. ZELENKO. Mr. Chairman, before I begin my statement I wish to thank Chairman COOPER for his gracious remarks and hope that I shall be able to continue to assist him in the future.

Mr. Chairman, on February 24, 1955, on the floor of this House, I had the opportunity to bring to the attention of the people of the United States an imminent danger to the financial structure of the Government, contained in a recently enacted section of the 1954 Revenue Code, which would have involved loss of billions of dollars of needed revenue.

On that day there had been much opposition to a plan to provide the average and low earning citizen of this country some needed tax relief in the amount of at least $20 per person.

It was my intention at that time to attempt to rescind a section of the law which was about to present an outright gift of billions to big business, and upon precluding the loss of this revenue to be able to provide the relief required for the average citizen.

At first the Treasury Department either ignored or refused to believe the facts concerning the amount of the prospective loss as I outlined them on this floor.

It is to the everlasting credit of the Democratic leadership that it set about at once to rectify this horrendous inequity.

Although there have been, there are, and there will continue to be differences on many subjects between both parties, it has always been the American way that when a real danger, of whatever nature, confronts the United States we stand together, and so I commend the Republicans who after careful study, finding that the facts were substantially as I outlined, have joined with us in urging the immediate repeal of section 462 of the Revenue Act. The Treasury Department now has admitted also that this was not merely a "bookkeeping adjustment" as it contended when it urged the insertion of this section in the act of 1954. It admits that the effects of the section would be disastrous and dangerous to the welfare of this country and joins in urging its retroactive repeal.

Despite the unanimity of opinion of all branches of the Government that the interest of the United States would best be served by repealing this section, the recipients of this multibillion dollar gift, namely big business, have continued through their special pleaders to cry for its retention or amendment in whatever form. They acknowledge the facts; they acknowledge the detriment of this law to the Government; they accuse the Government, however, of being a spoilsport, they refuse to accept in good grace the idea that what is good for the Government is good for business; that the welfare of the Government is paramount.

On this day, March 24, 1955, 1 month after I made the initial disclosure I am happy that this portion of the revenue law is about to be repealed.

To those who oppose such repeal, I can best express my thoughts in the words of one of America's greatest Presidents, Andrew Jackson, who in a message sent to the Senate on July 10, 1832, said in part:

> It is to be regretted that the rich and powerful too often bend the acts of government to their selfish purposes. Distinction in society will always exist under every just government. Equality of talents, of education, or of wealth cannot be produced by human institutions. In the full enjoyment of the gifts of Heaven, and the fruits of superior industry, economy and virtue, every man is equally entitled to protection by law; but when the laws undertake to add to those natural and just advantages artificial distinctions, to grant titles, gratuities and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society—the farmers, mechanics, and laborers—who have neither the time, nor the means of securing like favors to themselves, have a right to complain of the injustices of their Government. * * * There are no necessary evils in government, its evils exist only in its abuses.
>
> If it would confine itself to equal protection, and as Heaven does its rain, shower its favors alike on high and low, the rich and poor, it would be an unqualified blessing.
>
> Many of our rich men have not been content with equal protection and equal benefits, but have besought us to make them richer by act of Congress.

I urge the passage of H. R. 4725.

Mr. BOW. Mr. Chairman, although I intend to vote for the pending measure to repeal sections 452 and 462 of the Internal Revenue Code of 1954, I do so reluctantly and only because we cannot afford the loss of revenue that might occur under the present language of these sections.

It is my understanding that these sections were incorporated into the internal revenue law in order to bring tax accounting into line with the methods of accounting used by business for all other purposes. This is a sound and worthwhile purpose. It was sound when the Congress accepted it last summer, and it is still sound today. There is no reason to require a corporation to maintain one set of books and system of accounts for the Federal revenue service, and another for regular business operations, yet this is what the antiquated laws of former years forced upon our business community.

It comes as a surprise to all of us to learn that the actual language employed in the law was susceptible of a far broader interpretation than had been intended by either the Congress or the administration. Not only would the immediate revenue loss be larger than anticipated, but the Secretary of the Treasury has explained that future litigation might result in greater losses. This we can ill afford.

I am very much impressed with the arguments that complete repeal is not the best answer to the problem, but that we should try instead to rewrite the sections so that our sound and worthwhile purpose may be accomplished without a large loss of revenue in any one tax year. I note it is suggested that the transition to the new system of tax accounting might be accomplished over a period of 3 to 10 years, thus reducing the revenue loss in any 1 year. It has been suggested also with regard to section 462 that the language of the law be made more specific, defining as did the committee report the type of expense for which a reserve may be established.

While I now accept the recommendation of the Secretary and the Ways and Means Committee, I sincerely hope that this will not be the end of the matter. If there was not time to study clarification and amendment this spring, certainly that is no reason to abandon the sound principle underlying these sections. I trust that the Secretary in the very near future will be ready to recommend new and more satisfactory amendments to modernize tax accounting. I feel confident that the staff of the Ways and Means Committe is also studying this problem.

Lastly, Mr. Chairman, may I comment briefly on some of the criticism that has been levelled against the administration and the 83d Congress because of the interpretation placed upon these sections. I noted in one antiadministration paper a lead story charging that a loophole had been planned deliberately to give a multibillion-dollar windfall to big business. This kind of irresponsibility merits censure. The Internal Revenue Code of 1954 was a great legislative achievement and a milestone in tax law. In so tremendous an undertaking, it is remarkable to me that we have as yet found only 1 or 2 errors, and it is further a mark of the sincerity of the administration and Congress that we have moved quickly to correct these errors.

Mr. REED of New York. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The gentleman from New York yields back the balance of his time.

Mr. COOPER. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, the record clearly shows that this bill is before this body today as the result of Democratic leadership. The chairman of the Committee on Ways and Means, the gentleman from Tennessee [Mr. COOPER], and the Democratic members of that committee—and, of course, the Republicans following and concurring because they had nothing else to do—have brought in this bill. Prior to that, as a result of the discerning minds of the gentleman from New York [Mr. ZELENKO] and the gentleman from Arkansas [Mr. MILLS]—I remember reading in the newspapers, long before I heard of Secretary Humphrey being aware of section 462, statements made by the gentleman from Arkansas [Mr. MILLS] that section 462 alone would result in the loss of revenue of at least $1 billion. Prior to that, the gentleman from New York [Mr. ZELENKO], in debate on the tax bill on the floor, said it would result in a loss of $5 billion. Prior to that, in talking with the gentleman from New York [Mr. ZELENKO] at lunch several weeks prior—I remember the gentleman from Pennsylvania [Mr. WALTER] was present at the same time because only a few moments ago he told me he was there—the gentleman from New York [Mr. ZELENKO] told us what I think he termed at that time—and properly so—that this was a legalized legislative steal. So the record clearly shows where the mistake was made and how the correction is brought about.

My dear friend the gentleman from New York [Mr. REED] says this is a "technical correction of the 1954 act." He made that statement in his very clever political speech. It may be technical language, but there is no technicality about it because we are undertaking to recover several billions of dollars that would be lost to the Treasury and to our Government if section 462 remained in the law.

My good friend also said there are "some who made the contention that section 462 would be a windfall" to corporations and to business, particularly big corporations. Well, the fact is it would be a windfall. Whether one contended it was such, the fact is that section 462 would be a windfall of several billion dollars. It was a windfall that none of us knew about when the Internal Revenue Act of 1954 was before this Congress.

My good friend from New York also said budget considerations prohibited the adoption last year of the $100 increase in personal exemption for the individual taxpayer designed to benefit primarily the low-income groups and try and rectify the injustice of the Republican Internal Revenue Act of last year. But it is all right when we give this windfall of several billions of dollars to corporations, particularly big ones. We heard no words of condemnation about that. But when we try to help the low-income groups we then hear the cry "Politics" and "Inflation." When we try to give them tax benefits of about $800 million in the coming year and $1.6 million or $1.7 billion in the complete year it is politics and it is inflation. But when we give $3 billion tax reduction to 10 percent of the people and to the big corporations, it is statesmanship. Then when we give those extra billions that no one knew were there, the plea of confusion and avoidance and the remarks of apology are made by our Republican colleagues. My good friend the gentleman from New York [Mr. REED], said that the $20 tax credit—and mark this—was "class legislation with a vengeance." I wonder what he thinks section 462 is? He is trying now to repeal it; and, by the way, as the gentleman from Louisiana [Mr. BOGGS], the gentlewoman from New York [Mrs. ST. GEORGE], my friend the gentleman from Missouri [Mr. CURTIS] well said in their remarks, some corporations and some businesses are put in a financial trap as a result first of the recommending and passage of section 462 into law; and, second, in its outright repeal. I am for outright repeal, but I recognize that many corporations are going to be put in a bad financial position as a result of it. The only thing I can suggest to the officials of those corporations is that they become Democrats in the future, because we Democrats do not make mistakes of that kind.

Mr. MASON. Mr. Chairman, will the gentleman yield right there?

Mr. McCORMACK. Just a minute my friend. Apparently there are more officials of the big corporations losing faith in the present administration than is realized.

Before I yield to my friend let me say that I have here the Washington Bulletin. That is the official publication of the National Association of Manufacturers. This issue is dated March 15, 1955. What does it say?

> The adoption of these two sections (long advocated by the NAM)—

And I call attention to the parentheses and want them included—

> was recommended last year by the administration. The National Association of Manufacturers long recommended it to the administration.

That is their official publication, not picked out of the air. I am quoting from the official publication of the National Association of Manufacturers.

Does my friend deny that?

Mr. MASON. No; I am not denying what the National Association of Manufacturers said, nor am I responsible for what they did.

Mr. McCORMACK. That is true, the latter part of it, but I think you might deny the first part.

Mr. MASON. Oh, no.

Mr. McCORMACK. In all good conscience you do not want to say that the National Association of Manufacturers wrote 462 and 452 for you, do you?

Mr. MASON. They did not.

Mr. McCORMACK. No; I knew my friend would deny that.

Mr. MASON. Recommending and writing are two different things.

Mr. McCORMACK. I am simply trying to save my friend from himself.

Mr. MASON. Your friend has taken care of himself for 70 years and perhaps can the balance of the time allotted to him.

Mr. McCORMACK. Yes. I admire you and I respect you. I want the world to know it. I may disagree with you.

Mr. MASON. Oh, yes.

Mr. McCORMACK. But I still respect you.

Mr. MASON. I expect so. I want the gentleman to realize that when he said the Democratic administration never made mistakes like this, that the Democratic administration from 1933 to 1953, under New Deal leadership, increased taxes from $2 billion in 1933 to $65 billion in 1953, up and up and up and up; then the Republicans came in just twice during that time and cut down the tax bill.

Mr. McCORMACK. Yes, my very dear friend, and let me see if my memory is correct. In 1930, 1931, and 1932 there were twelve to fifteen million people out of employment, there was bankruptcy all around, $38 billion was the national income, over $3 billion lost by corporations. Yes. And when the Democrats got through we had gone up to $378 billion of national income. We saved the country in a depression and under the leadership of the Democratic Party this country was saved from Hitler. When the people get back to normalcy again and put the country back under the Democratic Party, this country will be saved from international communism.

Let me go one step further. Here is a publication of the National Association of Manufacturers of only a few days ago. I thought Secretary Humphrey recommended this repeal after the Democrats exposed it. However, the NAM says:

> The New Deal Democrats have injected politics into the situation. The New Dealers contend that these two sections constitute a windfall to business and that the revenue loss will run as high as $5 billion a year.

Reluctantly he has forced himself into the category of being a New Dealer, and I refer to Secretary of the Treasury Humphrey, according to the NAM. So, we have the record clear. It is politics, it is inflation, it is demagoguery, to try to do something for the lower income groups of America. The backbone of our country are these groups. These individuals, these Americans, these American families, constitute the backbone of America. We Democrats have always fought for them and on this record of today we indict the Republican Party as being the party of the select few.

The CHAIRMAN. All time has expired. Under the rule, the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments of the Committee on Ways and Means.

The bill is as follows:

Be it enacted, etc.—

SECTION 1. Repeal of sections 452 and 462.

(a) Prepaid income: Section 452 of the Internal Revenue Code of 1954 is hereby repealed.

(b) Reserves for estimated expenses, etc.: Section 462 of the Internal Revenue Code of 1954 is hereby repealed.

SEC. 2. Technical amendments.

The following provision of the Internal Revenue Code of 1954 are hereby amended as follows:

(1) Subsection (c) of section 381 is amended by striking out paragraph (7) (relating to carryover of prepaid income in certain corporate acquistions).

(2) The table of sections for subpart B of part II of subchapter E of chapter 1 (relating to taxable year for which items of gross income included) is amended by striking out—

"Sec. 452. Prepaid income."

(3) The table of sections for subpart C of such part II (relating to taxable year for which deductions are taken) is amended by striking out—

"Sec. 462. Reserves for estimated expenses, etc."

SEC. 3. Effective date.

The amendments made by this act shall apply with respect to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment. Page 2, line 15, insert:

"SEC. 4. Saving provisions.

"(a) Filing of statement: If—

"(1) the amount of any tax required to be paid for any taxable year is increased by reason of the enactment of this act, and

"(2) the last date prescribed for payment of such tax (or any installment thereof) is before September 15, 1955,

then the taxpayer shall, on or before September 15, 1955, file a statement which shows the increase in the amount of such tax required to be paid by reason of the enactment of this act.

"(b) Form and effect of statement:

"(1) Form of statement, etc.: The statement required by subsection (a) shall be filed at the place fixed for filing the return. Such statement shall be in such form, and shall include such information necessary or appropriate to show the increase in the amount of the tax required to be paid for the taxable year by reason of the enactment of this act, as the Secretary of the Treasury or his delegate shall by regulations prescribe.

"(2) Treatment as amount shown on return: The amount shown on a statement filed under subsection (a) as the increase in the amount of the tax required to be paid for the taxable year by reason of the enactment of this act shall, for all purposes of the internal revenue laws, be treated as tax shown on the return.

"(3) Waiver of interest in case of payment on or before September 15, 1955: If the taxpayer, on or before September 15, 1955, files the statement referred to in subsection (a) and pays in full that portion of the amount shown thereon for which the last date prescribed for payment is before September 15, 1955, then for purposes of computing interest (other than interest on overpayments) such portion shall be treated as having been paid on the last date prescribed for payment. This paragraph shall not apply if the amount shown on the statement as the increase in the amount of the tax required to be paid for the taxable year by reason of the enactment of this act is greater than the actual increase unless the taxpayer establishes, to the satisfaction of the Secretary of the Treasury or his delegate, that his computation of the greater amount was based upon a reasonable interpretation and application of sections 452 and 462 of the Internal Revenue Code of 1954, as those sections existed before the enactment of this act.

"(c) Special rules:

"(1) Interest for period before enactment.—Interest shall not be imposed on the amount of any increase in tax resulting from the enactment of this act for any period before the day after the date of the enactment of this act.

"(2) Estimated tax: Any addition to the tax under section 294 (d) of the Internal Revenue Code of 1939 shall be computed as if this act had not been enacted. In the case of any installment for which the last date prescribed for payment is before September 15, 1955, any addition to the tax under section 6654 of the Internal Revenue Code of 1954 shall be computed as if this act had not been enacted.

"(3) Treatment of certain payments which taxpayer is required to make: If—

"(A) the taxpayer is required to make a payment (or an additional payment) to another person by reason of the enactment of this act, and

"(B) the Internal Revenue Code of 1954 prescribes a period, which expires after the close of the taxable year, within which the taxpayer must make such payment (or additional payment) if the amount thereof is to be taken into account (as a deduction or otherwise) in computing taxable income for such taxable year,

then, subject to such regulations as the Secretary of the Treasury or his delegate may prescribe, if such payment (or additional payment) is made on or before September 15, 1955, it shall be treated as having been made within the period prescribed by such Code.

"(4) Determination of date prescribed: For purposes of this section, the determination of the last date prescribed for payment or for filing a return shall be made without regard to any extension of time therefor and without regard to any provision of this section.

"(5) Regulations: For requirement that the Secretary of the Treasury or his delegate shall prescribe all rules and regulations as may be necessary by reason of the enactment of this act, see section 7805 (a) of the Internal Revenue Code of 1954."

Mr. MILLS (interrupting reading of committee amendment). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

Mr. COOPER. Mr. Chairman, reserving the right to object, and, of course, I do not intend to object, I ask unanimous consent that a purely typographical error appearing in the bill be corrected. It is a printing error of the Government Printing Office. I refer to page 5, line 18, where a parenthesis is inserted and is not closed, purely a printing error.

Mr. HALLECK. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The gentleman from Tennessee has reserved the right to object.

Mr. HALLECK. Mr. Chairman, I understand the gentleman was putting a unanimous-consent request.

Mr. COOPER. That is right.

Mr. HALLECK. Certainly I can reserve the right to object.

The CHAIRMAN. The Chair understands he cannot receive that until we get the request of the gentleman from Arkansas taken care of. Is there objection to the request of the gentleman from Arkansas [Mr. MILLS], that the committee amendment be considered as read?

Mr. COOPER. Mr. Chairman, further reserving the right to object, the reason I am making the request now is because this printing error appears in the committee amendment.

The CHAIRMAN. The Chair understands that, but the request of the gentleman from Arkansas will have to be taken care of before the gentleman from Tennessee can make his request.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. If the unanimous-consent request of the gentleman from Tennessee to make the correction he refers to is granted, will the committee amendment which is now being reported be before the committee for consideration and debate?

The CHAIRMAN. That is correct.

Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that a printing error appearing on page 5, line 18, where the parenthesis appears, be stricken from the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MILLS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as the bill was originally introduced by the chairman of the committee and the gentleman from New York [Mr. REED], it did not provide the savings provisions that are now proposed in this amendment. In other words, it was questionable whether these taxpayers would have been able to avoid the payment of the additional tax that might be due as a result of the repeal. Also, everyone agreed that they should not have to pay interest on these additional amounts of tax that they might owe as the result of the repeal of these sections retroactively.

Now, it should be borne in mind and everyone should clearly understand that what the Committee on Ways and Means is proposing to do is simply to restore the law to the status it occupied before sections 452 and 462 were enacted. It is certainly the desire of the committee that we not take away, and it is not intended that we take anything away, from the taxpayers that they could have enjoyed under the Internal Revenue Code of 1939 and the Treasury rulings written and prepared in accordance with that code. There may be some question subsequently raised as to the legality of that position, but certainly there can be no misunderstanding of the intention of this amendment and this bill to do exactly that. The chairman indicated this in his speech very clearly.

Now, certainly in fairness and equity the House is justified in adopting the amendment, because we are providing in the amendment that no penalties, or interest, will be assessed against a taxpayer who, acting in accordance with sections 462 and 452, paid a lower amount of tax then he would now be called upon, with these sections repealed, to pay.

I want to say this, Mr. Chairman, aside from the amendment, the gentleman from New York [Mr. REED] has suggested that the bill passed last year—H. R. 8300—is good. The gentleman from Tennessee [Mr. COOPER] and the gentleman from Louisiana [Mr. BOGGS] have pointed out that we called the attention of the House to our fears and misgivings that problems such as the one that faces us today would occur. I do not want to criticize the gentleman's work of last year. It was good, yes, in part. It was bad in part, we thought, on the Democratic side. On balance we voted against it. But I think that we have sufficient evidence, and I believe the gentleman from New York ought to agree that we have sufficient evidence in these two situations that have been described, the one today and the one last January, plus the fact that there are some 70 other mistakes that have to be corrected, to justify a complete review of the Internal Revenue Code of 1954 by the Committee on Ways and Means. I think altogether we have enough evidence to justify a complete review by the Committee on Ways and Means or a subcommittee of our committee of the provisions of H. R. 8300 of last year. This Congress, I am certain, wants somebody in the Congress, and in particular the members of the Committee on Ways and Means, to know what we did last year in the bill that we passed. I daresay that we do not know yet. I dareseay that the Treasury itself does not completely understand what is in some of the provisions of that bill. I know with respect to the sections dealing with corporation reorganization there is unlimited confusion in the minds of tax lawyers, accountants, and people within the Treasury—so I am advised—as to what the provisions really mean.

I do think it is our responsibility under the Legislative Reorganization Act to go back and find out about not only the mistakes pointed out by the Secretary of the Treasury and his people and Mr. Stam and his staff and correct them, but we ought to go back and look at this as legislators charged with the responsibility to do so. We should see if there are other mistakes that have not been uncovered by these experts that could be uncovered by the committee working with them in sessions of the Committee on Ways and Means.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. REED of New York. I have said repeatedly that we were not infallible.

Mr. MILLS. I know the gentleman has said that and I know the gentleman would be the first to agree with me that he would be willing, in view of the fact that we are not infallible, to go back and conduct this study that I am suggesting here today.

Mr. REED of New York. Certainly we are not infallible. I know that in a bill of that size, even though we drew upon the best experts in this country, and devoted all the time we could, day after day until midnight, knowing that the job had to be done, there were bound to be some mistakes. What we have to do now, when a situation develops, is to correct it, just as we correct a fault in an automobile when it develops.

Mr. MILLS. The gentleman from New York [Mr. REED], I know, is a very able legislator. I daresay that he would rather the mistakes did not have to be called to his attention by the Secretary of the Treasury or somebody in the executive department. I know he is the type of legislator who would really like to go back and go through this matter himself—and I hope he will join in such a movement—to discover what mistakes there are in the Internal Revenue Code of 1954.

Mr. HALLECK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had a very entertaining afternoon. We have had another application of the type of politics that some of my good friends on my right think at the moment may be helpful to their cause. But before I say anything else in respect to that, let me say this much, that here we are undertaking to correct a provision, the objective of which everyone agrees is good but which in application and after experience is found to be something that should be changed. No one has all the responsibility for the language that was written into the bill. That should be constantly before us.

I served on legislative committees when we undertook to rewrite the Pure Food and Drugs Act and the Transportation Act. I have served here long enough to know that situations develop that were not foreseen and when they did develop, we would go ahead and correct them and not try to make a lot of political capital out of them.

The gentleman from Massachusetts [Mr. MCCORMACK] talks about this provision being a legalized legislative steal. We have heard a lot in recent weeks and months about strong words and strong language. I say there is absolutely no justification for that characterization of this provision in the law.

The gentleman talks about windfalls. We discovered some windfalls that came about under FHA Act not so long ago. I do not know who takes all the responsibility for writing that act, but there were windfalls. And so when the gentleman suggests that legislation the Democrats wrote never developed any windfalls, I am quite sure that he would be ready now to take that back.

It is quite evident to me that he and some others with him are in a great dilemma coming up to 1956. They know that the people of this country believe in the Eisenhower Republican program, because it is a good program. In the face of that the gentleman from Massachusetts, and others with him, are searching around for issues. At times it seems they are even trying to manufacture them.

It was not so long ago that an attempt was made to make the President's wife's health a great issue. In the last few days the squirrels in the White House yard have been a great issue. Today the correction of a mistake to which I say everyone contributed is to be the big issue. The gentleman from Massachusetts calls such an inadvertence a legislative steal. That means evil intent and everyone knows there was no such intent. So another manufactured issue falls flat.

Let me say to my friend from Massachusetts, if you cannot do any better than that, President Eisenhower and the Republican Congress will roar again to victory in 1956, just as sure as we are in this Chamber.

Again may I say, referring to this Republican-Eisenhower program, we were elected in 1952 to get the war stopped in Korea, and that we have done. It was a grinding, stalemated, treadmill kind of war.

We were elected to build an adequate national defense without bankruptcy, to develop a firm, strong foreign policy, which we have done; to cut the costs of Government, which we have done; to reduce the people's taxes, which we have done; to halt inflation which was robbing the people of their savings, and that we have done; to have in the White House a President who is President of all the people, and that we have done. To put an end to corruption, that we have done. To put an end to Government restrictions and controls, that we have done. To get the Government out of business in competition with the people, yesterday we moved to do more of that.

So I could go on down the list. It is a program so sound, so forward looking, with such real appeal to all the people of the country that, of course, the Democrats are concerned as you come up to 1956. Hence you try desperately to build a molehill into a mountain in your frantic search for an issue for 1956.

Let me say to you, Do not underestimate the intelligence of the voters of this country. They know what the score is. They are going to want more of the same sort of good, helpful, efficient, sane, and sound government the President and we are giving them. They are not going back to what they had before.

Again may I say if you are so concerned to pick up every little thing that you can without regard to its consequences or its real justification in fact, the American people are not going to be fooled. They are going to understand such an operation for just what it is.

You can go on and argue through 1956 about what the tax bill did and whom it benefited, but the people of this country already know that the tax program of the Republican 83d Congress is benefiting all of the people and particularly the people in the lower brackets. It helped tremendously to avoid the recession that was so freely predicted by some of you people a short time ago. Why, the citizens of this country recognize that we are successfully accomplishing the transition from war to peace, and somehow or other you seem to be disturbed even about that.

Fortunately, such an attitude is not shared by the overwhelming majority of Americans, because they understand and appreciate the magnificent record of good government that has been written by Republicans since early 1953.

The CHAIRMAN. All time has expired.

Mr. RAYBURN. Mr. Chairman, are any other amendments in order?

The CHAIRMAN. No other amendments to this amendment are in order.

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to address the House for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. I dislike very much to object to our good friend's having time, Mr. Chairman, but it is contrary to the rules.

Mr. RAYBURN. It is contrary to the rules, and I withdraw the request.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ASPINALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4725) to repeal sections 452 and 462 of the Internal Revenue Code of 1954, pursuant to House Resolution 191, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is considered as ordered on the bill and amendment thereto to final passage.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

THE LATE PAUL V. McNUTT

The SPEAKER. The Chair recognizes the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Speaker, I have just heard that an old friend of mine, Paul V. McNutt, has passed away. I knew him best when he was Governor of the State of Indiana. He was a graduate of Indiana University and Harvard Law School, and then was professor and dean of law at Indiana University. He had been national commander of the American Legion before coming to the governorship.

When he was elected Governor, he led a group of young men that took over the government of the State of Indiana. His administration was extremely progressive. Indiana was one of the first States in the Union to enact laws to bring the State within the social-security system. I believe that Indiana, under Governor McNutt's administration, was the second State among the 48 to pass unemployment insurance laws, and among the first to set up an old-age assistance program. He had detailed knowledge of all the affairs of the State of Indiana while Governor, and was a great executive.

His legislative program was prepared by experts before the legislature assembled, and submitted to the legislature and passed in very short order. Governor McNutt found the State of Indiana in a rather deplorable financial condition. But he established a sound fiscal program so that the State's debts were paid, and when he left office there was a large surplus built up in the treasury of the State, even in those depression years.

Upon leaving the Governor's office, he was named High Commissioner to the Philippines and then Administrator of the Federal Security Agency here in Washington. He was the first United States Ambassador to the Philippines after they were granted their independence in 1946.

He was a great orator, of majestic appearance, and dynamic personality. He was mentioned a number of times for the Presidency and Vice Presidency of the United States. His friends have known for some time of his illness, but are shocked to know now that he will be with us no more.

As a young man, he was somewhat my ideal, and I can assure you I will always cherish his friendship.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. DENTON. I yield.

Mr. HALLECK. Mr. Speaker, I cannot let this sad occasion pass without speaking a few words of my own about Paul V. McNutt. As everyone will readily recognize from what the gentleman from Indiana [Mr. DENTON] has just said, Paul V. McNutt and I were not of the same political faith, but we were nevertheless friends. I came to know him first when I was a student at the University of Indiana. He was teaching there in the law school and I was a student. He subsequently became dean of the law school. He was a great teacher under whom I learned a great deal, certainly as much as my capacities would permit me to learn. I recall so well many hours spent in his office after classes were over, talking with him about all manner of things. I counted him my friend, although not my political friend, as you will understand from the gentleman's reference to the time when he knew him as governor. Paul V. McNutt was Governor of the State of Indiana when I was first elected to Congress, and I think it is entirely fair to say that he did not do anything to promote my election and probably the contrary is true. But, through it all, we maintained a cordial relationship which I valued highly and the memory of which I will continue to treasure in the years to come. It is, indeed, with sincere sorrow that I have learned of his passing.

AMENDING RUBBER PRODUCING FACILITIES DISPOSAL ACT OF 1953

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 691) to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of Plancor No. 877 at Baytown, Tex., and certain tank cars, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. ARENDS. Mr. Speaker, reserving the right to object and, of course, I have no objection to the bill because I know what the purpose of the bill is, I wonder if the gentleman could not in one sentence inform the House what the situation is.

Mr. ARENDS. Mr. Speaker, reservpose of S. 691 is to authorize the Rubber Facilities Disposal Commission to accept proposals for the purchase of the copolymer plant, located at Baytown, Tex., for a period of 30 days after the enactment of this bill. In addition, the Rubber Disposal Commission, after the 30-day bidding period has expired, will negotiate with those who have submitted proposals for this sale for a period of not to exceed 60 days following the end of the bidding period.

Within 10 days after the negotiation period has terminated, the Commission is required to submit to the Congress a report with respect to the disposal of this copolymer plant and unless the proposed contract is disapproved by either House, by a resolution, prior to the expiration of 30 days of continuous session, the contract shall become effective and the Commission shall transfer the facility to the successful purchaser as soon as practicable, but in any event, within 30 days after the expiration of the period of congressional review. If the plant is not sold, the operating agency shall place the plant in standby and thereafter it may not be operated for or on account of the Government without further act of Congress; nor may it be sold for a period of 3 years.

S. 691 also requires the Commission, before submission of its report to the Congress, to submit the report to the Attorney General, "who shall, within 7 days after receiving the report, advise the Commission whether, in his opinion, the proposed disposition, if carried out, will violate the antitrust laws."

S. 691 also provides authority for the Government to continue the operation of the copolymer plant at Baytown, Tex., until the plant is transferred to a purchaser or, if no sale is approved with regard to this copolymer plant the Government is authorized to continue to operate the copolymer plant at Baytown until the plant is placed in standby in accordance with the Rubber Producing Facilities Disposal Act.

S. 691 continues the life of the Disposal Commission until the 130th day following the termination of the transfer period previously mentioned. If no sale for the copolymer plant at Baytown is recommended by the Commission then the Commission will cease to exist at the close of the 130th day following the date of enactment of S. 691.

S. 691 also provides that all of the criteria with regard to the previous sales that have now been approved by the Congress shall be applicable in the case of the copolymer plant at Baytown, except for the provisions of the Disposal Act which would otherwise preclude the

Government from selling synthetic rubber manufactured at the Baytown plant; the provision with respect to the inventory on hand at the Baytown plant, and other purely technical provisions.

The purchaser of the Baytown copolymer plant is authorized to purchase the inventory of any end products, together with raw materials that are available at the Baytown plant, at the time of the transfer. If the purchaser does not care to purchase such end products, then the Commission may sell the end products or feed stocks "in such manner as the operating agency deems advisable." Likewise, if the Baytown facility is not sold at all then the inventory and feed stocks will be sold "as the operating agency deems advisable, at the prevailing market price for such end products and feed stocks."

S. 691 also authorizes the Disposal Commission or, after it ceases to exist, such agency of the Government as the President may designate, after securing the views of the Attorney General as to whether the proposed lease or sale would tend to create or maintain a situation inconsistent with the antitrust laws, to enter into leases or contracts of sale for all or any number of the 448 pressure tank cars which the Commission heretofore has been unable to sell.

Any lease or sale of the tank cars shall contain a national security clause, although such a clause will obviously have to be less restrictive than that applied to the sale of rubber plants in view of the age and condition of the tank cars. Any lease for tank cars shall contain a provision for the recapture of the tank cars leased by the Government and for the termination of the lease if the President determines the national interests so require. Tank cars not leased or sold may be transferred without charge by the Commission or its successor to any other Government agency, subject to national security and recapture provisions. Those not leased or sold or transferred will be maintained in adequate standby. The sale or lease of the tank cars does not require review by the Congress.

The final section of S. 691 is to the effect that the provisions of S. 691 shall not be applicable to the disposal of any Government-owned rubber-producing facilities except the Baytown copolymer facility and the 448 pressure tank cars previously mentioned. Thus the enactment of this bill will in no way effect the other sales previously approved by the Congress.

In summary, therefore, S. 691 continues the life of the Rubber Facilities Disposal Commission for a sufficient period of time so that it may receive proposals for a 30-day period for the sale of the 44,000 long ton GR–S capacity copolymer plant at Baytown, Tex. After the proposals have been received the Commission shall negotiate with those submitting proposals for a period of not more than 60 days and within 10 days after the termination of the negotiation period, the report will be submitted to the Congress where either House may disapprove the proposed sale for a 30-day period of continuous session. Prior to submitting the report to the Congress the Commission shall submit it to the Attorney General who, within 7 days after receiving the report, shall advise the Commission whether, in his opinion, the proposed disposition will violate the antitrust laws.

The Government is authorized to continue to operate the GR–S facility at Baytown until the plant is sold or until it is placed in standby in accordance with the Disposal Act. The Commission is also authorized to lease or sell the tank cars that they have thus far been unable to sell. All of the criteria, except certain technical provisions which could not be applied to the proposed sale of the copolymer facility, will apply in the case of the proposed sale of the Baytown facility.

The enactment of S. 691 will have no effect whatsoever upon all of the other rubber facilities, the sales of which have been approved by the Congress.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Rubber Producing Facilities Disposal Act of 1953 is amended by adding at the end thereof the following new section:

"SEC. 25. (a) Notwithstanding the second sentence of section 7 (a), the period for receipt of proposals for the purchase of the Government-owned rubber-producing facility at Baytown, Tex., known as Plancor No. 877, shall not expire until the end of the 30-day period which begins on the date of the enactment of this section.

"(b) If one or more proposals are received for the purchase of Plancor No. 877 within the time period specified in subsection (a), the Commission, notwithstanding the expiration of the period for negotiation specified in section 7 (f), shall negotiate with those submitting the proposals for a period of not to exceed 60 days for the purpose of entering into a definitive contract of sale.

"(c) Within 10 days after the termination of the actual negotiation period referred to in subsection (b), the Commission shall prepare and submit to the Congress a report containing, with respect to the disposal under this section of Plancor No. 877, the information described in paragraphs (1) to (5), inclusive, and paragraph (8) of section 9 (a). Unless the contract is disapproved by either House of the Congress by a resolution prior to the expiration of 30 days of continuous session (as defined in section 9 (c)) of the Congress following the date upon which the report is submitted to it, upon the expiration of such 30-day period the contract shall become fully effective and the Commission shall proceed to carry it out, and transfer of possession of the facility sold shall be made as soon as practicable but in any event within 30 days after the expiration of such 30-day period. The failure to complete transfer of possession within 30 days after the expiration of the period for congressional review shall not give rise to or be the basis of rescission of the contract of sale.

"(d) If, upon termination of the transfer period provided for in subsection (c), no contract for the sale of Plancor No. 877 has become effective, the operating agency last designated by the President shall, as promptly as possible consistent with sound operating procedures, take said Plancor out of production and place it in adequate standby condition under the provisions of section 8 of the Rubber Producing Facilities Disposal Act of 1953: *Provided*, That the provisions in said section relating to the time for placing facilities in standby condition shall not apply to Plancor No. 877."

SEC. 2. Notwithstanding the provisions of section 3 (d) of the Rubber Producing Facilities Disposal Act of 1953, the Rubber Producing Facilities Disposal Commission (hereinafter referred to as the "Commission") before submission to the Congress of its report relative to Plancor No. 877, shall submit it to the Attorney General, who shall, within 7 days after receiving the report, advise the Commission whether, in his opinion, the proposed disposition, if carried out, will violate the antitrust laws.

SEC. 3. Notwithstanding the provisions of sections 14 and 22 of the Rubber Producing Facilities Disposal Act of 1953, the Rubber Act of 1948, as amended, is hereby extended with respect to the rubber-producing facilities covered by this act, to the close of the day of transfer of possession of Plancor No. 877 to a purchaser in accordance with the provisions of section 25 of the Rubber Producing Facilities Disposal Act: *Provided*, That if no such transfer is made, the Rubber Act of 1948, as amended, is hereby extended to the close of the day upon which Plancor No. 877 is placed in standby condition pursuant to the provisions of this act.

SEC. 4. Notwithstanding the provisions of section 20 of the Rubber Producing Facilities Disposal Act of 1953, the Commission established by that act shall cease to exist at the close of the 30th day following the termination of the transfer period provided for in section 25 (c) of that act, unless no sale of Plancor No. 877 is recommended by the Commission pursuant to section 25 (c) of that act, in which event the Commission shall cease to exist at the close of the 130th day following the date of enactment of this act.

SEC. 5. Except as otherwise provided in this act, disposal of Plancor No. 877 shall be fully subject to all the provisions of the Rubber Producing Facilities Disposal Act of 1953 and such criteria as have been established by the Commission in handling disposal of other Government-owned rubber-producing facilities under that act: *Provided*, That the provisions of sections 7 (j), 7 (k), 9 (d), 9 (f), 10, 11, 15, and 24 of that act shall not apply to the disposal of Plancor No. 877. As promptly as practicable following the date of transfer of possession of Plancor No. 877 to a purchaser under this act, the operating agency last designated by the President shall offer for sale to such purchaser the end products produced at such plant and held in inventory for Government account on the day of such transfer of possession, together with the feedstocks then located at such plant or purchased by the operating agency for use at such plant. Sale of such end products shall be made at the Government sales price prevailing on the busines day next preceding the date of transfer of possession of such plant. Sale of such feedstocks shall be made at not less than their cost to the Government. In the event the purchaser declines to purchase such end products or feedstocks when first offered to it by the operating agency, they may be thereafter disposed of in such manner as the operating agency deems advisable. In the event Plancor No. 877 is not sold under the provisions of this act, any end products produced at such plant and held in inventory for Government account on the day such plant is placed in standby condition pursuant to section 25 (d) of the Rubber Producing Facilities Disposal Act of 1953, as added by this act, and any feedstocks then located at such plant or purchased by the operating agency for use at such plant shall be disposed of in such manner as the operating agency deems advisable, at the prevailing market price for such end products and feedstocks.

SEC. 6. Notwithstanding any provision of the Rubber Producing Facilities Disposal Act of 1953 and notwithstanding any other pro-

vision of this act, the Commission or, after it ceases to exist, such agency of the Government as the President may designate, may, after securing the advice of the Attorney General as to whether the proposed lease or sale would tend to create or maintain a situation inconsistent with the antitrust laws, enter into leases or contracts of sale for all or any number of 448 pressure tank cars (ICC Classification ICC–104AW) for which the Commission invited proposals to purchase pursuant to that act. Each such lease may be for such duration and each such lease or contract of sale may be made on such terms (including type of use) as the Commission or such other agency deems advisable in the public interest: *Provided*, That each such lease or contract of sale shall contain, among other provisions, a national security clause, and each such lease shall contain provisions for the recapture of the tank cars leased by the Government and the termination of the lease, if the President determines that the national interest so requires. The rental or price for any such tank car or cars shall be an amount which the Commission or such agency determines to be the maximum amount obtainable in the public interest, but not less than fair value as determined by the Commission. Any of such tank cars not under lease or contract of sale to non-Federal lessees or purchasers may be transferred without charge by the Commission or such agency to any Government department or agency upon request, for such use as the Commission or such agency deems advisable and subject to national security and recapture provisions of the type hereinabove provided for in this section running in favor of the Commission or other agency transferring the tank car or cars. Any of such tank cars not sold or under lease or transferred as hereinabove provided shall be placed and maintained in adequate standby condition pursuant to the provisions of section 8 of the Rubber Producing Facilities Disposal Act of 1953.

SEC. 7. The provisions of this act shall not be applicable to the disposal of any Government-owned rubber-producing facilities other than Plancor No. 877 and 448 pressure tank cars (ICC Classification–ICC 104AW); and all action taken pursuant to the provisions of the Rubber Producing Facilities Disposal Act of 1953 prior to the enactment of this act shall be governed by the provisions of that act as it existed prior to the enactment of this act and shall have the same force and effect as if this act had not been enacted.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read the third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

BURLEY TOBACCO ACREAGE ALLOTMENTS AND MARKETING QUOTAS

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 189) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4951) directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield myself such time as I may require, and later I shall yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 189 will make in order the consideration of the bill (H. R. 4951) directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year, and for other purposes.

This resolution provides an open rule, with 1 hour general debate. As far as I know, there is no opposition on this side to the adoption of the rule.

I yield 30 minutes to the gentleman from Illinois.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4951) directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4951, with Mr. SIEMINSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes, and the gentleman from Kansas [Mr. HOPE] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is the identical bill that we had before the House on Monday, at which time we attempted to suspend the rules and pass the bill. I am sure you will recall that there will be no controversy about any section of the bill other than the one section which provides for a reduction in the minimum acreage allotment which is now in the law. The minimum acreage allotment now is seven-tenths of an acre.

This bill authorizes the Secretary of Agriculture to lower that seven-tenths of 1 acre by one-tenth of an acre during the current year 1955, and an additional one-tenth of an acre in the crop year 1956. I shall not attempt to discuss the bill but will yield to the chairman of the subcommittee to which the bill was referred, the gentleman from Virginia, Mr. ABBITT, and I am sure those Members who represent areas in which burley tobacco is grown will discuss the bill and its details. I do, however, want to call attention to the very serious situation which exists with reference to burley tobacco. All of the tobacco programs have been very successful through the years, but unfortunately we have accumulated an enormous supply of burley tobacco.

We now have on hand 370 million pounds. The Government has an investment in this tobacco of $220 million. About one-third of the burley crop of 1954 went into Government loan.

If we are to save this program and make it a success, it appears that it will be necessary for us to follow the advice of the Secretary of Agriculture and the experts in his Department. It was the Secretary himself who called this serious situation to our attention. Personally I dislike the idea, of course, of reducing the minimum acreage, but I believe that we should be willing to reduce the acreage to the extent necessary to save the program, and for that reason I feel that I must stand by the subcommittee headed by the gentleman from Virginia [Mr. ABBITT] and to ask the House to pass the bill just as we have presented it without attempting to amend it in any way.

In conclusion, I want to say that time is very important, for soon the farmers will be planting tobacco. I believe that the farmers will in the referendum approve the program as it will be presented by Secretary Benson after this bill has been enacted into law.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. RIVERS. Does the gentleman believe that anybody with an acre of tobacco or less should suffer any reduction?

Mr. COOLEY. The situation is that about 64 percent of the producers of burley tobacco have less than seven-tenths of an acre. Is that right, I ask the gentleman from Virginia?

Mr. ABBITT. Yes.

Mr. COOLEY. The situation is entirely different in the flue-cured area. In the flue-cured area we have no minimum at all, the big grower and the little grower are treated exactly alike, but in the case of burley tobacco 64 percent is raised by men who grow under an acre of tobacco. I regret the necessity of having to reduce the minimum, but if we do not do it we may have to do away with the program entirely.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. PERKINS. I wonder if the chairman can tell the Committee what percentage of the total burley produced is grown by the 64 percent of the growers?

Mr. COOLEY. As I say, on account of my laryngitis I do not want to burden myself or the House with an effort to

speak, but refer the matter to the gentleman from Virginia [Mr. ABBITT], chairman of the subcommittee; and I will yield to him now.

Mr. PERKINS. Sixty-four percent of the growers produce less than 30 percent of the crop. Is that correct?

Mr. COOLEY. I am not in a position to argue with the gentleman about it but I will yield to the gentleman from Virginia [Mr. ABBITT].

I yield 5 minutes to the gentleman from Virginia [Mr. ABBITT].

Mr. ABBITT. Mr. Chairman, for sometime—in fact, since its inception—we have been very proud, indeed, of our tobacco problem. It has worked well because the growers have been willing and anxious to follow the recommendations of the Department as to production. They have acreage allotments and marketing quotas. They have at all times in the burley tobacco, flue-cured tobacco, and dark fired type governed themselves according to the marketing quotas and acreage allotments in line with the recommendations of the Department and because they have kept their supply in line with the needs, the program has worked well. But for the past several years the production of burley tobacco per acre has increased tremendously. The farmers, by very careful planning and following the advice of experts, have increased their yield. We find that last year, in the fall, when the Department of Agriculture estimated the supply of burley tobacco, they were wrong by a considerable percent. They estimated that we would have a production of approximately 582 million pounds, but when the crop was sold it was actually 670 million pounds. So we find that we now have a carryover of a 3½-year supply.

Mr. PERKINS. What is the normal supply?

Mr. ABBITT. Heretofore, before now, the normal supply was 2.6 years; but we find now that the disappearance is not nearly as much as over the 5-year period. Due to our good doctor friends, our ladies, and perhaps some others, not as much tobacco is being consumed now as in the past.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. Is it not true that at this time there are 3.5 years' usings based on current levels of disappearance according to the Department of Agriculture 1954 statement—Commodity Stabilization Service, Tobacco Division—which would be seven-tenths of a year above desired level, or 2.8 years.

Mr. ABBITT. That is if you went by the old disappearance formula, but if you go by the true disappearance formula, the actual disappearance formula, you have far more than that on hand. What we have to do is face realities.

Mr. BURNSIDE. The gentleman will recognize that according to the statement of the Department of Agriculture at this time there is seven-tenths of a year's supply on hand?

Mr. ABBITT. Is the gentleman saying that we should not have any reduction in our tobacco quota?

Mr. BURNSIDE. No. I am basing it on the statement that the Department of Agriculture has put out.

Mr. ABBITT. I do not controvert what the gentleman says. I would like to know whether he says we should have any reduction?

Mr. BURNSIDE. Yes; I agree with the reduction. As a matter of fact, I agree with every recommendation that the eight State committee reported, but they do not recommend getting under seven-tenths or six-tenths.

Mr. ABBITT. The gentleman was in favor of increasing the minimum to 1 acre and introduced a bill to that effect.

Mr. BURNSIDE. At one time, that is true.

Mr. ABBITT. Does the gentleman think that is wrong?

Mr. BURNSIDE. I would like to see it at 1 acre because our small farmers have so little to live on, but we have to face facts.

Mr. ABBITT. I wish we could have 2½ acres or more. What I am saying here is that if we want to continue any program, if we want to have a burley-tobacco program, if we believe in a farm program, we have to have this bill, in my opinion.

It does a number of things. We find that in the burley-tobacco sections, as well as possibly some other sections, more tobacco is being raised by the farmers than they were allotted. When they sell this excess tobacco, they pay under the present law a 50-percent penalty, but they get credit in their history and in establishing future allotments for this excessive tobacco. So, the Department at the beginning of the year, when they found out that they had underestimated the supply, held meetings in the burley-tobacco section and tried to ascertain what could be done to improve the program. They held two such meetings. Then word came to our subcommittee that something needed to be done for the tobacco program. We called a meeting of our subcommittee and called the Department officials down, and they made five recommendations.

One was that the act be amended to permit the Department to make a redetermination of the allotments for 1955. Under the present law, once the allotment has been announced, it cannot be cut. So, if we are to have a redetermination, we have got to have this act, and apparently everybody agrees that we have to have a redetermination if we are going to keep our program.

In addition to that, they recommended that the penalty on excess tobacco be raised from 50 percent to 75 percent. That is in this bill, and apparently everybody agrees on that.

They also recommended that no longer could any excess tobacco harvested be counted in future history. This bill takes care of that, and apparently everybody agrees on those three features.

Now, the controversial provision was explained by our able chairman, who knows the tobacco program so well. In the burley-type program we have minimum allotments. The minimum is seven-tenths of an acre. That means a vast number of growers, when the others take cuts, cannot take any. The Department pointed out to us that this was one of the big problems, and it was suggested by a number of people—as a matter of fact, the majority of those who testified—that we eliminate the minimum acreage-allotment provision. As a matter of compromise, this bill drops the minimum acreage from seven-tenths of an acre to five-tenths, and that is the controversy.

Now, in addition to that, here is the crux of the matter as I see it. This bill provides that if it goes into law, after the Secretary makes a redetermination of the allotment and after the new allotment has been announced—and, by the way, the bill also limits it to 25 percent—after the allotment has been announced, then the growers are given the privilege and opportunity of voting as to whether or not they will accept the allotment as announced by the Secretary, and with one exception all of the growers that appeared before our subcommittee approved that proposal.

I hope that you will save our tobacco program and go along with the committee on this bill.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. Mr. Chairman, as many of you know, I am opposed to the general principle of rigid price supports with the many restrictions and regulations necessitated by price supports. However, I am not opposed to this bill, because it merely provides for the restrictions necessary to keep the Government from loading up its storages with more tobacco.

It merely tightens the monopoly. I am sure it must be apparent to anyone who examines the complete tobacco program that it constitutes a tight monopoly legalized and supervised by the Government. If any group of producers in any other segment of our economy attempted the same thing, all of the principals would be promptly thrown in jail. In the field of agriculture, however, the antitrust laws are of no effect and force because so many Members of this Congress in the past have felt that agriculture was a peculiar segment of our economy which could not be operated on a free-enterprise basis with the law of supply and demand functioning.

Some feel that the law of supply and demand cannot work in agriculture, and yet in concocting the schemes of arbitrary control, they cannot ignore the fact that in the long run supply and demand must be balanced, regardless of Government action.

So here, now, we have recognition on the part of rigid price supporters that the tobacco program, which has been their pride and joy, has to have authority for more severe restrictions to keep the supply in hand. On this point I agree with them. In the remainder of our price-support programs, we have glaring evidence that our committee and this Congress has never had the nerve to impose restrictions severe enough to make the programs work. The fathers of this tobacco monopoly are smart enough to know, that, if they let tobacco accumulate in Government warehouses like the other surplus commodities, their

deal might collapse from too much criticism.

I favor this bill for the very simple reason that, as long as we preserve rigid price supports, we must give the managers of the program authority to cut production to a point of positive adjustment with consumption. Even in Government-managed production programs the law of supply and demand does work and cannot be ignored.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, later I shall introduce an amendment that will take care of part of the trouble that we are faced with here.

I have here with me at this time the recommendations from all of the tobacco leaders of the United States. They did not make one single iota of recommendation to cut to five-tenths. They have made some very good recommendations. I want to read them. They are splendid recommendations which come from the leaders of all the tobacco growers of the United States.

This is to the Secretary of Agriculture:

The Eight State Burley Tobacco Committee recommends and respectfully requests you to recommend to the Congress that legislation to be enacted—

A. To discourage production of excess tobacco:

1. Provide that production of nonquota tobacco shall not give any entitlement to a quota.

2. Provide that excess production by an allotment producer shall result in a penalty of allotment reduction in an amount equal to the excess production in a prior year.

3. Provide for a civil penalty that will constitute—

I want to compliment the gentleman for the statements he made a few moments ago. This will do something toward correcting the type of things he wants to see corrected.

3. Provide for a civil penalty that will constitute a more effective deterrent to excess production.

One of the reasons why we are in this trouble, this serious trouble, is that a few people started taking over excessive amounts of acreage in the last few years by paying the penalty. The farmers realized that so they are increasing the penalty, as is indicated further on in this statement.

a. Increase the penalty on marketing excess tobacco to 75 percent of the previous year's average market price.

That is a very good suggestion.

Mr. FORRESTER. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from Georgia.

Mr. FORRESTER. I would like to ask the gentleman what would be the case if the penalty were 100 percent?

Mr. BURNSIDE. It would be even better.

Mr. FORRESTER. What would that do toward solving the excess-tobacco problem?

Mr. BURNSIDE. It would keep them from taking the penalty for a few years and then going on and producing a large acreage.

Mr. FORRESTER. But would that not materially reduced this surplus tobacco of which the gentleman is speaking?

Mr. BURNSIDE. It would do this. Each year we found a few people dropping tobacco. It would take care of part of it in that way. This is not the whole answer. I will give some other suggestions to take care of the situation.

To improve measurement by statutory provision for it with standards and penalties clearly defined.

One of the troubles we had was actually having overacreage by the old methods, and by improper methods of checking.

Require aerial surveys annually.

That is another way to check it, to see that they will not overproduce.

Eliminate tolerance in calculations of acreage.

That is another way to cut down on it, to eliminate tolerances in calculations of acreage.

Provide for criminal punishment as a misdemeanor of not more than 1 year or not more than $10,000 or both for willful inaccurate measurement, making the penalty cover the Government employee only.

To amend title 7, United States Code Annotated, section 1315, to establish a minimum allotment of 10 percent rather than 25 percent of the cropland.

This is another way we can cut down this excess. I know some cases where a fellow will plant in his backyard, have a half acre in his backyard in a city or town or village. He is certainly no farmer, but he has been sponging on the farmers. So that, too, will cut down on this acreage.

To provide that whenever there is an increase in quota, the increase shall be shared only by those having taken a decrease in quota in a prior year until all decreases have been restored. As far as the foreseeable future is concerned, this would benefit only those growers who have taken curtailments within the past two crop years, but, in any event, every segment of the industry ought to recognize that restoration of cuts should be shared only by those who have suffered cuts until original quotas have been fully restored.

To authorize the Secretary of Agriculture to redetermine and set marketing quotas for 1955.

This is respectfully submitted by the Eight-State Burley Tobacco Committee, and is signed by John M. Barry, chairman.

Mr. Chairman, I call attention to this fact, which many of you do not realize, that 1,850 farmers, that is, five-tenths of 1 percent of them, produced 27,500 acres of tobacco. That is more acreage than the gentleman from Ohio has in the entire State of Ohio. That is more acreage than the gentleman from Virginia has in his entire acreage. That is more acreage than the gentleman from North Carolina has in his entire acreage, just in that five-tenths of 1 percent of the tobacco farmers about as many acres as all of these States put together.

Listen to these figures. They are startling when you start to look into them, when you start crying about these big tobacco farmers that have over 100 acres, when we are worrying about five-tenths, so a man can buy his food and his clothes.

From 20 to 50 acres, there are 400 of them, and that is only one-tenth in percentage of the tobacco farmers, and they produce 14,000 acres, more than the entire State of Ohio, more than the entire State of West Virginia, and many of the other States like Georgia, Arkansas, and all those thrown in together.

Three one-thousandths, mind you, produce 1,500 acres of tobacco. One farmer with about 350 acres, 9 other farmers with over 100 acres of tobacco. And then we cry crocodile tears about some of these big boys.

I want to tell you this: It is not their tenants they are worrying about, because in the last few years—and I have gone through the tobacco country for a number of years—they have been consolidating and telling their tenants to go find a job somewhere else in some city. They have been concentrating these acreages.

I am reading from the official tobacco report that I got from Mr. WATTS.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield.

Mr. COOLEY. The gentleman made a statement that there were 1,000 farmers in America farming 100 acres of burley tobacco.

Mr. BURNSIDE. No; if I made that statement it is in error.

Mr. COOLEY. That is what the gentleman said. I have it right here on this paper.

Mr. BURNSIDE. There are 1,850 tobacco farmers, five-tenths of 1 percent of the farmers, that produced 27,550 acres.

Mr. COOLEY. The gentleman said there were 1,000 farmers who had 100 acres of burley tobacco each.

Mr. BURNSIDE. If I said that, I am mistaken. But I did say this, and I will repeat it again if the gentleman will permit me to go on. I will explain it to you again and I am glad to go over it because I want the Members of Congress to know what is happening under this law.

Mr. COOLEY. Will not the gentleman yield for a correction? According to the paper which has been handed to me, there are only 10 in the United States.

Mr. BURNSIDE. I will go back over it and I will state further that if I made a mistake, I will be glad for it to be corrected. I will give you this information. One tobacco farmer produced about 350 acres. Then 9, I think I used the figure 9, others which represents only three one-thousandths of the tobacco farmers who produced 1,500 acres of tobacco. That is the statement I thought I made.

Mr. COOLEY. I know the gentleman wants to be fair. Do you not know that no one man cultivates that tobacco, but that it is divided among the tenant farmers and this would be putting the tenant farmers out on the road.

Mr. BURNSIDE. If the gentleman will wait just a moment, I will explain that situation. You know and I know that due to new methods, they have been reducing the number of tenant farmers and sending the others to the cities. I

know it because I have seen it. I have seen it happen over and over again.

Mr. COOLEY. How many acres of tobacco do you think one man can cultivate and harvest?

Mr. BURNSIDE. At least 8 or 9 acres.

Mr. COOLEY. Well, then, they must be better in West Virginia than they are down in North Carolina.

Mr. BURNSIDE. They are much better because of these modern methods. As a matter of fact, they have a new method of catching the tobacco bugs which produce the worms. They are using a sonic method to catch the tobacco bugs. You know that and I know that. That was a source of great trouble a few years ago to the tobacco farmers and required a tremendous amount of labor.

But let us go on with these questions. Here is the problem that we are facing. I want to read to you a telegram which I received from the tobacco farmers of West Virginia:

March 21, 1955, the burley tobacco growers of West Virginia are opposed to reducing minimum allotments below seven-tenths of an acre. We fear that program will be voted out in referendum if minimum is reduced. Red-card tobacco creation surplus. Your support requested.

All of you in the other tobacco programs do not want to see it voted out, and they tell me positively they are going to vote it out. They have met this week and they say they are going to vote it out.

This telegram is signed by Clayton Stanley, secretary of the West Virginia Burley Tobacco Grower's Association. I want to say, the gentleman who signed it produces 1.4 acres and he will be cut, and he knows it is necessary to keep from cutting the lower producing farmer. Why? Because they would have these mountain farmers, as you have had the other small farmers, living on less than $300 per year.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. CHELF].

Mr. CHELF. Mr. Chairman, first I wish to thank the gentleman and my good friend [Mr. HOPE] from Kansas for his kindness.

We have a situation that calls for drastic action, because we are in a drastic situation.

To begin with, let me give you a little history of our problem that we face today. Many years ago our farmers throughout the country, particularly in Kentucky, the tobacco growers, were disheartened, disillusioned, disorganized and disappointed. Every time they came to the warehouse to sell their entire year's crop it was practically stolen from them. They were given 3, 4, or 5 cents a pound. They just could not make it with these horrible bids from these big tobacco companies. Imagine. A whole year's hard labor in the heat and cold—all for absolutely nothing.

If you will pardon a personal reference, raising tobacco is a tough job. I am not a farmer myself. I am an attorney, but I was born and raised on a farm. What time I did not spend in an orphanage I worked on a farm and I know something about the trials and tribulations and hardships and miseries that these good people are subjected to. When you are out in the hot sun working "suckering" tobacco there is what is known as tobacco gum that gets all over you. It is a sticky substance. As a young hired farm hand I have sat down to eat supper with that gum on my overalls, and when I got up, the chair came up with me. If I leaned against the wall the wallpaper would come off with me. It is really like glue.

The difference between tobacco under no program, is 3 cents to 5 cents a pound, whereas under the program we have now it is between 45 and 60 cents a pound. That is what we are fighting for today, to preserve our entire tobacco program which is our economic lifeblood in the form of our cash crop.

There is a little story down home about an old farmer during the days when the Big Four tobacco companies were stealing the tobacco from our farmers. After they had weighed his wagonload of tobacco and figured the warehouse charges and storage charges they told this poor old farmer that he owed them 50 cents. He says, "I haven't got it. What am I going to do?" The warehouseman said: "The next time you come in, bring me an old red rooster." Two or three weeks later, the good farmer came in and he had two old red roosters. The warehouseman said, "What is the idea of bringing me two red roosters?" The poor old farmer replied, "I brought you another load of tobacco."

It may be funny now but it was not funny then and it is not going to be funny in the future because my folks down home, in the 4th district, together with the great 6th Congressional District which adjoins us, produces 75 percent of the burley tobacco in the great commonwealth of Kentucky.

I have been home. I have telegrams. I have letters. But I went home last week and talked to the folks. I walked out in the fields and I saw them burning their tobacco beds and I saw the big ones and the little ones and the middle-sized tobacco farmers. I asked them all just how they felt about this grave crisis and I said, "What do you want me to do? I am your Representative and I need to know your thinking about this cut in our tobacco program." I told them all that I was worried because I realized that overproduction was about to ruin us.

They said, "Is the cut necessary?" I answered, "The tobacco branch of the Department of Agriculture, together with our growers, warehousemen, and all other interested friendly experts say that the cut is imperative." They said, "Do those fellows in Washington tell you the truth?" And I told them I believed they did because one of our Fourth District boys headed the division—Clarence Miller, of Shelbyville, Ky. I then said that I was reliably informed that we had 3½ years of surplus tobacco on hand now when a 2-year tobacco surplus was the red light—or danger signal. They said, "Do we have to be cut? We don't want to be cut any more than we want leprosy. We don't want it any more than we want to sleep with a rattlesnake. We don't want it any more than we want a hole in the head, but if it is necessary to have it, let us have it across the board. Take the little ones and the big ones, and make everybody take the cut."

That is what I am for, and I hope you will support this legislation on that basis. In my humble and honest opinion—that is the fair and equitable way to do the job. Make the cut across the board applying to everybody alike. Then let the farmers vote on it in a referendum.

I see my friend PERKINS here. I love him. He said the other day he was worried about his 4,000 little farmers. Well, I have 40,000 little farmers and I am worried about them just as much as he is. In fact, I am 10 times more worried than he is. My friend BURNSIDE of West Virginia, says that we are going to take the shoes off of his little fellows.

Let me tell you right now that you are fixing to take the socks off them, take their pants right off the back of their laps, take the food off their table, and take the shingles right off their roof. It reminds me of the story of the old colored preacher when he said they were going to have a baptism Sunday afternoon at 3 o'clock, that they were going to baptize the men at the north end of the church, the women at the south end, and the babies at both ends. Buddy, if this tobacco program goes down the drain, you are going to baptize all of us at both ends. But let me get back to our problem. If you are going to cut my farmers, that is all right, but cut everybody, the big ones, the little ones, the middle-sized ones. I hate to see any cut at all but we have no choice. We simply cannot have our cake and eat it too. Let us be fair about this thing. Vote down these amendments please and then vote for the bill and I just know that the good Lord will bless you all.

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I have no tobacco growers in my district, big or little, but I agree with those who have pointed out that if we are going to have any kind of farm program we must bring production and consumption somewhat into line. In this connection I would like to comment briefly upon the remarks of my good and able friend, the gentleman from Pennsylvania [Mr. KING]. I think his argument, in part at least, is indicative of a fallacy which is being repeated over and over again with respect to the farm program and is coming repeatedly out of the Department of Agriculture these days. The fallacy is that high, rigid, price supports are responsible for agricultural controls and for our present surpluses. I do not think my good friend the gentleman from Pennsylvania believes that, because I know that he knows that if you support any of the basic commodities at 90 percent of parity, at 75 percent of parity, or at any point between 75 and 90 percent of parity, and do not control production, you are going to overflow the warehouses of the Commodity Credit Corporation.

It is not the fixed price-support program that is the cause of the surpluses;

it is the failure to adjust production over the years.

We cannot have any program unless we have one based upon the willingness of farmers to adjust their acreage regardless of the point at which we support the price of agricultural products.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield.

Mr. HOPE. Is not the problem right now due basically to the fact that during the war when we needed greater production the farmers of this country were urged to expand their production. They did it to the extent of 47 percent above prewar. Now, since the war, our export markets have dwindled and we cannot absorb the production we built up.

Reducing farm production is a pretty difficult thing at any time and particularly under present conditions. It is not at all a matter of the level of price supports, in my opinion; it is a matter of finding a way to adjust supply to demand, and so far no one has come up with a more effective method as far as the basic commodities are concerned than acreage allotments and marketing quotas.

Mr. ALBERT. The gentleman has made the point I tried to much better than I could. I thank him for his contribution.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. WATTS].

Mr. WATTS. Mr. Chairman, I want to discuss this bill with the committee from a factual standpoint and try to leave with the membership a knowledge of what this controversy is about.

Early this year the Department of Agriculture called our attention to the critical condition in which burley tobacco found itself. Our subcommittee on tobacco asked them to come before our committee and make certain recommendations to cure the situation insofar as it could be cured. They came before our committee and they made certain recommendations. Those recommendations of the Department of Agriculture are embodied in this bill as it is brought on the floor here today.

We brought growers in from every State of the Union. We had big growers, we had little growers, we had associations, we had dealers, we had warehousemen. We heard from all segments of the economy. It became very apparent to our subcommittee that it was not a question of this minimum or that minimum or the other minimum. The real question in issue was whether we were going to have a tobacco program. Because of the shape it had gotten itself into the tobacco program was going to collapse from its own weight. This bill, as I said, embodies all those recommendations.

There is one feature of the bill in controversy and only one. The bill provides that all growers shall take a 25-percent cut on the 1955 crop. The Department told us at that time that it was going to be necessary for them to impose a further 25-percent cut next year. This would make a total reduction in tobacco acreage of 50 percent over the 2-year period. Everybody said it was all right and fair to take those cuts.

So we agreed to this bill with a proviso in it that, after we passed the bill, it would be sent back to the growers in the various districts and that they, before May 1, would have a referendum among themselves to determine whether or not they favored what we had done. Mind you, before this support program goes into effect as modified, 66⅔ percent of those growers have to O. K. it. If that is not good democratic legislation, I do not know what is.

Now, to get down to the point in which we are in disagreement. When we had these people before our committee, they said, "Yes, the cuts must be made if the program is going to be saved." But, that is where we fell out. Everybody wants the program saved, but they want the other fellow to save it. Now, contrary to what anybody might tell you, the burley tobacco bases, industrywide and category by category, are so pitifully small that they are almost infinitesimal.

I want to cite you how the tobacco bases are broken down. Sixty-four percent of them are seven-tenths of an acre or less. Eighty-one percent of them are 1½ acres or less. Ninety and twenty-three one-hundredths percent of them are 2½ acres or less. Ninety-six and seventy-two one-hundredths percent of them are 4 acres or less. Bases of 10 acres or more amount to only seven-tenths of 1 percent.

Now, when the grower came in with the eight-tenths of an acre or nine-tenths of an acre, an acre or 1½ acres or 2½ acres, he says, "I will take this cut, but if I am going to be cut half in two, I think the little seven-tenths protected man ought to suffer some in order to save the program; if I am going to be cut from 1½ acres down to seven-tenths, he ought to be willing to make some small contribution toward saving the program." Most of the little growers that came before us said, "Yes, the cuts ought to be invoked, but they ought to be invoked on the fellow with the big basis." Well, when he is talking about a man with a big basis, he is talking about the 1½- and the 2-acre man. Of course, there are a few men with 5,000 or 6,000 acres of land, 10 in the United States, so I am advised, that have 100 acres, but that is a drop in the bucket when you consider that there is something in the neighborhood of 400,000 acres of tobacco raised.

Now, this bill that we have before us we feel is fair. As I said, you have 64 percent of the growers in the seven-tenths class now. When this 25-percent cut goes on, you are going to have 75 percent of the growers in the protected class. With the 25 percent that the Department spoke about for next year, you are going to have 81.57 percent of the growers in this class. It is not right and fair to the man that has 1½ acres or 1¼ acres or 2 acres to have his base cut half in two and the other fellow not suffer any inconvenience at all.

I want to show you what has happened since 1946. Now, mind you, nobody with seven-tenths of an acre tobacco base or less has taken a single cut or a single one of these cuts that I am going to talk about. In 1946 the growers who had a tobacco base of over seven-tenths took a 10-percent cut. In 1947 those growers who had a base of over seven-tenths took a 19.4-percent cut. In 1948 those growers who had a base of over seven-tenths took a 2.2-percent cut. In 1950 those same growers took a 15-percent cut. In 1953 they took a 10-percent cut. In 1954 they took an 8-percent cut. Altogether, while the fellow with the seven-tenths base was protected, everybody whose base was above seven-tenths has been cut 70 percent already, and the Department says it is going to be necessary to cut them another 50 percent, and all we are asking in this bill is that the 64 percent of the growers who have small bases make some little contribution toward saving the program.

I regret that this piece of legislation which was started for the purpose of saving the tobacco program has developed into a fight over minimum acreage. I have little growers and I have big growers; and in view of the fact that up to this time the big growers—that is, if you want to call them big; most of them fall to under 2½ acres—have already suffered a 70-percent cut and are faced with another 50-percent cut. It seems only fair to me that the fellow with seven-tenths ought to be willing to yield one-tenth as a contribution to saving the program, in view of the fact that the fellow above him has already made a 70-percent sacrifice and is faced with a further 50-percent sacrifice.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. BAILEY. Did I understand the gentleman to say that the farmers with minimum allotments of seven-tenths of an acre have not been reduced? Were they not reduced from nine-tenths to seven-tenths in the last 2 years?

Mr. WATTS. No minimum acreage of seven-tenths has ever been cut.

Mr. BAILEY. They were dropped from some higher percentage, were they not?

Mr. WATTS. Certainly. They were brought down and so was the 2-acre man who is down to less than an acre today. But the man with the seven-tenths base has never shared one single, solitary cut. Of course, many of them who had an acre or an acre and a quarter have now been dropped down to the seven-tenths-acre group.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. COOLEY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. WATTS. You are going to wind up with a situation where a fellow with four-tenths or five-tenths acres, whose tobacco is more or less a supplement to his income—many of these small bases are town lots where a fellow plants a little tobacco, who has other sources of income—you are going to wind up where the fellow with a thousand acres of land and a great deal invested is going to have the same size base as the fellow with a very few acres.

I do not want to cut anybody's tobacco base. It is the most unpopular thing in

the world to talk about cutting tobacco bases. But since the cut must come, let us have some semblance of fairness in the situation. Let us treat everybody alike.

I realize that you cannot cut these minimum bases too much. It would work too great a hardship. This bill does not do that. This bill was a compromise from the start. The bigger growers did not want any minimum base. The little growers did not want to be cut at all. The Department of Agriculture recommended five-tenths and your committee set it at five-tenths. That means that the big grower—and I am talking about a man with an acre and a half or with 2 acres—is going to get whacked half in two and all that they ask the seven-tenths man to do this year is to yield one-tenth in order to save the program.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. BAILEY. The trouble is that when the allotment program was set up, as I recall back in 1946, the argument was made that some groups of burley tobacco growers were getting a higher acreage allotment than they were entitled to. Let me get across to the gentleman the idea that these small burley tobacco growers in West Virginia have been complaining about the acreage allotment since it was set up, saying that they were not accorded sufficient acreage in proportion to that which had been given to other burley tobacco growers. That has been the condition and that has been the argument through the years.

Mr. WATTS. If the gentleman will permit me to reply to that, I will say that I have never seen a burley tobacco farmer yet who was not complaining, whether he had one-tenth, five-tenths, or an acre. They all want more. I was not here at the time, but the gentleman told me he was, when the law was passed. But when we set up this quota program, they took the immediately preceding 5 years of production, added them together, divided by 5, and that was your tobacco base.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. WATTS] has again expired.

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I certainly will support any bill this committee finally approves because we must have the tobacco program. I hope the bill is amended to let the present law of seven-tenths of an acre minimum stand.

I regret that so much has been said that if the minimum is cut we will have no tobacco program. I just do not go along with that because I do not believe it.

Today I received a letter from Salyersville, Ky., dated March 23, 1955, from B. F. Adams. How much of an allotment did he have in 1952? He had a 1-acre allotment. If this bill goes through this House without amendment, next year how much will he have? He will have one-half an acre. He says:

> In 1952 I had a 1-acre base; in 1953 a nine-tenths acre base; in 1954 an eight-tenths acre base, in 1955 a seven-tenths acre base, which they propose to reduce to six-tenths or a loss of 40 percent in 3 years.
>
> The chiseling is what's ruining the tobacco business, raising extra tobacco on a remote part of their farms and selling it on their regular white card.

Then he goes ahead and offers suggestions.

There have been a lot of figures quoted. In Kentucky alone we grow about 70 percent of the supply of burley tobacco in this Nation. In Kentucky alone we have 244,000 base acres of burley tobacco. How is that 244,000 acres divided up? Let us look. These are Department of Agriculture figures. We have in Kentucky 79,300 small producers, more than half of the farmers, that have a tobacco allotment with a base of seven-tenths or less. The other 78,000 have 199,000 acres. It averages 2.6 acres per farm.

Many of you have grown tobacco. In the Bluegrass, Mr. WATTS' district, it averages 1,800 or 2,000 pounds to the acre and averages 50 or 55 cents a pound.

I believe sincerely that the chairman of this committee does not strenuously object to maintaining a minimum-acreage program. The question here is whether we are going to maintain a minimum-acreage program. That is the question. This is a move to destroy the minimum-acreage program. Here is a small farmer in Magoffin County, Ky., where tobacco has been grown for 75 years. If we cut him down, next year he will be down to five-tenths of an acre. Where are we going to establish this minimum? That is the question. I believe sincerely that the gentleman from North Carolina and the gentleman from Virginia [Mr. ABBITT] well realize that putting this little farmer down to five-tenths of an acre next year is going to destroy the minimum-acreage basis.

Mr. Chairman, referring to the group that we ordinarily describe as the large growers, I want you to know that in Kentucky alone 78,000 of them cultivated approximately 199,000 acres, and the other 79,000 cultivated approximately 45,000 acres. Everybody is willing to accept a cut. But these farmers have accepted a cut all through the years. Two years ago the minimum was established as seven-tenths of an acre.

Mr. WATTS. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. WATTS. Has any man with a seven-tenths-acre base ever suffered a cut?

Mr. PERKINS. No; the minimum in 1952 was nine-tenths of an acre. But if your bill passes the eight-tenths-of-an-acre man of last year will grow six-tenths of an acre this year, which is a cut of 25 percent, and be cut down to five-tenths of an acre next year. I ask the gentleman if that is not the provision of your bill?

Mr. WATTS. The bill would certainly call for a further cut. But I would like to point out to the gentleman that while the eight-tenths-of-an-acre man is taking that same cut, the acre man is taking the same proportion of a cut, and the 2-acre man and the fellow who already had a 70-percent cut is also going to have his base cut half in two. The gentleman will agree with me that that is correct; will he not?

Mr. PERKINS. It gets back to the question of equity again. Are we going to have a minimum-acreage program? Seven-tenths of an acre today will produce about $450. If we intend to take that away from these farmers who have been raising tobacco in an area for 75 or 100 years, you are going to destroy the program then—that is when you are going to destroy this program.

The 79,000 Kentucky burley growers with base allotments of seven-tenths of an acre or less include less than 50,000 that are at the minimum of seven-tenths of an acre. The majority of these were reduced to this point when the minimum of nine-tenths was reduced to seven-tenths of an acre in 1952. If each of these small producers is reduced to the five-tenths minimum, even though many of them originally had more than one-tenth acre base, the total acreage involved would be something less than 10,000 acres; or only 5 percent of the total base of all the Kentucky growers with base allotments of eight-tenths of an acre or more.

To insist that the program would be destroyed unless this 10,000 acres is taken from the combined base allotment of the little growers is the height of folly. It is also highly questionable in my mind if we actually face a reduction of 25 percent in 1955 and another 25 percent in 1956. In fact, if I can understand production figures, the actual reduction will not be 25 percent in 1955, and if it is as much as 25 percent in 1955, in my judgment, there is no probability of a further cut in 1956. It is more likely that the 10-percent reduction from the current base allotments will start reducing the carry-over that is now only slightly larger than necessary to allow burley tobacco to age sufficiently to make it usable.

Production of burley tobacco approached its current level in 1944 when the crop was approximately 590 million pounds. In 1946 it was 614 million pounds followed by a drop in 1947 of 485 million pounds. The next year it was 603 million pounds, back down again in 1950 to 499 million pounds, followed by an upward trend to reach a peak production of 650 million pounds in 1952, followed by 564 million pounds in 1953. The 1954 crop may exceed 640 million pounds, nearing the all-time peak record of 1952.

The fact that the crop averaged between 1944 and 1949 better than 575 million pounds per year without creating any problems of a surplus indicates that very little reduction from the current level is in order. In fact, one bad crop year which we have periodically in the burley tobacco belt of Kentucky would solve all our surplus problems.

If we are that near a solution of a surplus in burley tobacco, why are the larger producers yelling about the dan-

ger of a 25-percent cut this year to be followed by an additional 25-percent cut next year? It is my considered opinion that most of the noise is the result of an attempt to eliminate the minimum. Every Member of this body that comes from a burley tobacco-producing area is in favor of the program. It is simply a question of what is the most equitable plan for its operation.

Mr. COOLEY. Mr. Chairman, I yield the remaining time to the gentleman from Virginia [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I have listened with great patience to the discussion of this program, and while I am a newcomer to the Congress, there is one thing that worries me just a little and that is why are the little farmers in trouble, because everyone seems to be for the little farmers. I cannot understand for the life of me how they get into such predicaments because everyone seems to be for them. The truth of the matter is that I served on this subcommittee and I attended every single meeting. It was a real pleasure for me to serve with this distinguished body and I went into the burley matter in great detail. I feel, as some of my distinguished colleagues here feel, that to take a cut under this program is going to be disastrous to the little farmer.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. PERKINS. I am sure the gentleman from Virginia would be glad to go along if an amendment is offered for seven-tenths and I know you will support the six-tenths of an acre, if the seven-tenths amendment should fail.

Mr. JENNINGS. I will go along with anything that I think will save this program. I believe your amendment will do it. and I will go along with it.

As I stated, I attended every one of these subcommittee meetings. I was pretty well convinced that to reduce this program would be disastrous until I went down and talked to some of my farmers. I went down with the Department of Agriculture officials and we held meetings. My big farmers and my little farmers told me to do what was necessary to save this program.

I think it is necessary to save this program for the big man, and the little man as well.

There is something that has disturbed me and my growers. That is the fact that we have a large group of after 4 o'clock and Saturday farmers who are in competition with the people who grow this tobacco. We have a group of people who work in factories and industrial plants and after 4 o'clock and on Saturdays they, together with their wives and children raise burley tobacco. It is in competition with the farmer who has to depend solely upon the income from his tobacco for his entire livelihood.

There is a great deal of dissatisfaction among the farmers about the administration of this program, but the committee has talked to the people in the Agriculture Department who are charged with the enforcement and they agree that the administration can be tightened and that they can help in any inequities that exist.

I introduced a bill and it was reported out of the subcommittee, to take care of what I think to be one of the flagrant violations. That is, the growing of an excess or red tag tobacco. This bill provides that a 75-percent penalty will be placed on all excess or red tag tobacco. I think that will go a long way in helping to reduce the excess.

The real trouble with this program is just this: In 1940 we were raising 11,305,000 pounds of tobacco in Virginia. We have taken all these cuts down through the years. We have reduced the big farmer and we have reduced the little farmer until in 1954, while we were raising 11,305,000 pounds of tobacco in 1940, we are now raising more than twice that amount of tobacco, 24,975,000 pounds. The trouble is we are putting manure and fertilizer on this smaller acreage and we are growing a higher nicotine tobacco and what we are going to have to do is to raise a better quality tobacco or some "de-cancer" tobacco.

Let us do whatever it takes to save this program. That is what I want. That is what my farmers want, and that is what the people want—to save this program.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That notwithstanding any other provision of law—

(1) the Secretary of Agriculture shall, within 10 days after enactment of this Act, redetermine the national marketing quota for burley tobacco for the 1955–1956 marketing year on the basis of the latest available statistics of the Federal Government, apportion such quota among States, convert the State quotas to State acreage allotments, and allot the same among farms pursuant to and in accordance with applicable provisions of law: *Provided* That burley tobacco marketing quotas and acreage allotments heretofore established for the 1955–1956 marketing year shall not be effective, but the preliminary burley tobacco acreage allotment for any farm determined under section 725.616 of the burley and flue-cured tobacco marketing quota regulations, 1955–1956 marketing year, issued by the Secretary of Agriculture (19 Federal Register 3549), shall not be reduced by more than 25 percent (except for reductions under section 725.619 of said regulations);

(2) burley tobacco farm acreage allotments of seven-tenths of an acre or less heretofore determined for the 1955–1956 marketing year when redetermined pursuant to paragraph (1) of this act may be reduced but not more than one-tenth acre: *Provided, however,* That no allotment of five-tenths of an acre or less shall be reduced under this section;

(3) Within 20 days after the issuance of the proclamation of the national marketing quota for burley tobacco for the 1955–1956 marketing year as redetermined pursuant to paragraph (1) of this act, the Secretary of Agriculture shall conduct a referendum of farmers who were engaged in the production of the 1954 crop of burley tobacco to determine whether such farmers are in favor of or opposed to such redetermined quota. If more than one-third of the farmers voting in the referendum oppose such redetermined quota, the Secretary of Agriculture shall, within 30 days after the date of the referendum, proclaim the result of the referendum and (1) no quota for burley tobacco for the 1955–1956 marketing year shall be effective thereafter, and (2) no price support shall be made available on the 1955 crop of burley tobacco; and (4) Public Law 528, 82d Congress (66 Stat. 597), is hereby amended, effective for the 1956 and subsequent crops of burley tobacco, to read as follows: "The farm acreage allotment for burley tobacco for any year shall not be less than the smallest of (1) the allotment established for the farm for the immediately preceding year, (2) five-tenths of an acre, or (3) 10 percent of the cropland: *Provided, however,* That no allotment of seven-tenths of an acre or less shall be reduced more than one-tenth of an acre in any one year. The additional acreage required under this act shall be in addition to the State acreage allotments and the production on such acreage shall be in addition to the national marketing quota."

With the following committee amendments:

On page 1, line 4, strike "the" and insert "The."

The committee amendment was agreed to.

Committee amendment: On page 2, line 16, strike "burley" and insert "Burley."

The committee amendment was agreed to.

Committee amendment: Page 3, line 14, strike "tobacco; and" and insert "tobacco."

The committee amendment was agreed to.

Committee amendment: Page 3, line 15, strike "(4)" and insert "SEC. 2."

The committee amendment was agreed to.

Committee amendment: Page 4, line 4, insert the following:

"SEC. 3. Section 313 (g) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding immediately after the first sentence thereof a new sentence to read as follows: 'Any acreage of tobacco harvested in excess of the farm acreage allotment for the year 1955, or any subsequent crop shall not be taken into account in establishing State and farm acreage allotments.'

"SEC. 4. The last sentence of section 313 (g) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding in the last sentence thereof immediately following the language 'if proof of the disposition of any amount of tobacco is not furnished as required by the Secretary' the language 'or if any producer on the farm files, or aids or acquiesces in the filing of, any false report with respect to the acreage of tobacco grown on the farm required by regulations issued pursuant to this act.'

"SEC. 5. Section 314 (a) of the Agricultural Adjustment Act of 1938, as amended, is hereby amended, effective July 1, 1955, with respect to flue-cured tobacco, and October 1, 1955, with respect to other kinds of tobacco, by striking out the figure '50' therein and inserting in lieu thereof the figure '75'."

The committee amendment was agreed to.

Mr. BURNSIDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURNSIDE:

On page 2, strike out lines 16 to 22, inclusive, and insert:

"(2) No burley tobacco farm acreage allotment of seven-tenths of an acre or less shall be reduced under this section;

On page 3, strike out line 15 and all that follows down through line 3 on page 4.

Mr. BURNSIDE. Mr. Chairman, as I stated before, the tobacco program requires 2.8 years for determining. We

have now 3½ years' supply, so these recommendations that are made would take care of most of this.

Mr. Chairman, I have often heard one of our colleagues from North Carolina use for an illustration a catfish story. He said, "Now, catfish, hold still, I ain't going to hurt ya! I'se just going to gut ya." Well, the mountain farmers are in a position like the catfish, but they have never been known to take a gutting lying down. There is quite a contrast between that lush bluegrass country and the living conditions of our mountain farmers.

In the bluegrass country where they have large tobacco acreages of over a hundred acres per farm and where they raise—maybe I should use the cultural term of "rearing"—splendid racehorses, what more beautiful picture do you want than these gorgeously groomed animals prancing on luscious bluegrass. It seems to me to be a shame not to grow bluegrass. Not only do racehorses love it, but cows think it the ultimate in contentment. Now, these wealthy racehorse folks have been more and more adding to their poundage of tobacco. They are producing about three times as much per acre as some years back. They use that stable manure from these thoroughbreds and make tobacco grow like these horses run.

Really, friends, what chance do our little cabin farmers on a mountainside in West Virginia, South Carolina, North Carolina, Georgia, Virginia, Kentucky, and Tennessee have against such luscious mint julep surroundings.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield for a brief question.

Mr. COOLEY. I think that the average acre yield in North Carolina is greatly in excess of that for Kentucky that the gentleman has mentioned.

Mr. BURNSIDE. The burley yield is greater. Kentucky produces over 75 percent.

Mr. COOLEY. The per acre yield?

Mr. BURNSIDE. I do not know about that particular point, but it is certainly true that 50 percent of the burley producers in Kentucky produce 16 percent of the tobacco. The lush yield the gentleman from Kentucky was talking about a few minutes ago I think must be in those areas where they use this thoroughbred manure. I do not have time to yield further.

Let us look at how the nine-tenths to the seven-tenths burley farmer has been gutted in the last 2 years. The small burley producers suffered a cut of over 22 percent of their acreage. According to figures published by the Department of Agriculture in their annual report 1944–54, the big burley farmer took only a cut of 10 percent in 1953 and a cut of 8 percent of the balance in 1954. This would add up to approximately a 17 percent cut for the 2 years. In the case of a 50-acre allotment farm, there would have been a 17.2 percent cut. Now, remember colleagues that the nine-tenths to seven-tenths farmer took over a 22 percent cut. Now, with both figures in percentages we can see that in our last cut the small burley producer was hit much harder than the large producer. There is a differential of almost 5 percent. Remember, now, that the cash received for their tobacco crop is the only money earned by many of these mountain folk in the Allegheny region. At five-tenths of an acre, these people would have less than $300 cash net per family. This House allowed inequities in the last cut. I am here to ask that no further inequities be dignified by law. Not only should we refrain, gentlemen, from giving the big burley producer the legislative breaks as has been done in the last 2 years, but we must consider the personal needs of the thousands of families all over the mountain area who will suffer terribly if prevented by the House from making a decent living by passing additional cuts in their acreage. The 10- to 20-acre farmers have about as much acreage as the State of West Virginia, Missouri, Georgia, Kentucky, Arkansas, Alabama, Indiana, and North Carolina combined.

I also notice in checking the 1955 burley acreage allotments that there are 40 farmers in the United States who produce more tobacco than is produced in the entire State of West Virginia. I notice that there are 10 farmers who produce more than one-third of the entire acreage of the State of West Virginia. I also notice that there are 400 farmers who are producing over 20 to 50 acres which, would run many times the allotments in the State of Ohio and in the State of West Virginia put together.

Gentlemen, anyone can see that cutting from nine-tenths to five-tenths acreage in 4 years is such a drastic blow, for it reduces these farmers to a $300 cash income a year per family. I feel positive that most of the people here do not want to put additional families on relief. If this bill is not amended, that is exactly what we would be doing. Do you think, gentlemen, that after we raised our own salaries, that we can in good conscience cut these little farmers' incomes from $500 to $300 per family per year? I am leaving this to your conscience.

Mr. JENKINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, everybody recognizes the fact—we have proven it in the United States—that crop controls are necessary both in quality and in acreage. But the thing might develop into a real serious proposition if we get to the place where the big tobacco growers all speak on one side and the little tobacco growers speak on the other side. That is where we have come today. We ought to be careful, because when we put in crop control it was not intended that the little fellow be run out.

Let me give you some experience. You talk about a 10-percent reduction. Whenever you cut this little fellow, that is down to seven-tenths of 1 acre now, down to where he is going to have three-tenths, he will quit. On the other end of it, you have the big fellow who will not quit. You cut him 20 percent, or whatever you want to, and he will not quit. But you are going to cut our little fellow down to where we are going to quit. We are going to have to quit.

In my State we do not have any big producers. We have some maybe with 10 or 15 acres. I do not know of anybody in my district producing much tobacco, perhaps two or three hundred along the river across the great State of Kentucky. But we do not have any big tobacco farmers like they have in the Bluegrass section. I implore you Bluegrass people to have some compassion on our little fellows in the hill country. That is where we get our money to feed our children.

Let us not carry this thing so far that you are going to put a burden on a fellow that cannot carry the burden. Do not take all of my tobacco people and put them out of business. You have to be careful. I am no expert on this and I do not claim to be, but I just know that the little fellow in my section just cannot stand very much more.

I have been very proud of one thing in connection with the tobacco business, and that is the way the Government runs it. We have a big warehouse in Huntington, W. Va. The farmers take their crop over there. There is also a warehouse down in Maysville, Ky. The farmers take their crop down there. The Government has a man there whom they can appeal to. He inspects the quality. He keeps them from being run over. They do not get squeezed out.

Here today I implore you not to squeeze the little fellows out. Why do you want to worry about seven-tenths or six-tenths? It does not mean much to you big fellows, but it does mean a lot to the little fellows. If you cut him down to five about half of my people are going to quit.

Mr. Chairman, I shall vote for the pending amendment.

Mr. BAILEY. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, you will recall that some 2 or 3 days ago this same question came up under suspension of the rules of the House for action, which was refused. So my colleague from West Virginia and the gentleman from Ohio who has just addressed you and others who are interested in the distribution of allotment acreage of burley tobacco really have a problem. It was enough of a problem to prevent the suspension of the rules. Now we are here trying to improve it in the form of an adjustment, in the form of an amendment. I understand that the gentleman from Tennessee will follow the amendment of the gentleman from West Virginia [Mr. BURNSIDE] should it lose, with another amendment proposing to fix the minimum acreage at six-tenths of an acre.

There was no reason why there could not have been, and I thought there was to be, a compromise here so that this floor fight could have been avoided. Now, if we cannot have seven-tenths of an acre minimum base, then we will be willing to take six-tenths, since the argument is that we have to have a reduction and it must apply to all categories in the burley field. We feel that the seven-tenths existing minimum is the deadline below which no reduction should be made, because these little fellows, let me say to you, my colleagues, are the fellows that have been struggling along with this small allotment.

Let me remind you that today no State in the Union is in worse economic condition than the State of West Virginia. In our State the big industry is coal, and it is practically dead. We have no income, and you are proposing to reduce the income of some 2,000 or 3,000, maybe 2,400, small tobacco growers in this same area where the Government is already feeding 75 percent of the people with surplus food.

Nothing should be done that would further reduce the income of the people in that section.

Mr. ABBITT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I realize that the time is getting late, and I do not want to trespass on the time of the members of this Committee, but this is a vital question. I feel if this amendment is adopted, it will be useless to pass this bill, and I am serious about that. There will be no prospect of correcting our program. Now, if you members want to wreck the program of the burley tobacco growers, if you want to vote out quotas and have no protection, no support price, the best way I know to do it is to vote for this amendment.

Now, these gentlemen from West Virginia are complaining, and I know they are in bad condition out there, but they are far better off than we are in Virginia. In Virginia we have 13,000 acres of tobacco and 18,000 growers. In West Virginia they have 3,000 acres of tobacco and probably 4,800 growers. So, you see they are in far better condition than we are. And I have yet to hear a single tobacco grower in Virginia that is objecting to this proposal, because they feel it is necessary that something be done to save the program. We are either going to save it, or else we will have no tobacco program. I will tell you that if the burley tobacco program goes down, the dark-fired and the flue-cured will go down and all the others.

Mr. CHELF. Mr. Chairman, if the gentleman will yield, and if this bill does not pass, we will spill our economic lifeblood all over the place. You talk about troubles. We will have troubles.

Mr. ABBITT. Yes. And they are raising more tobacco on the five-tenths now than they used to on an acre.

Mr. Chairman, I have a letter from Mr. McConnell, Assistant Secretary, who recommends that we pass this bill as is and submit to the growers of burley tobacco the question of whether or not they want to accept the allotments as redetermined by the Secretary of Agriculture.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree with the statement just made by the gentleman from Virginia [Mr. ABBITT]. This is the vital and the important part of the bill. If we are going to control the production of tobacco so as to keep production in line with reasonable consumer demand, it is necessary for the Secretary of Agriculture to have authority to make necessary reductions in acreage allotments, and this he cannot do unless the provision for minimum allotments is changed, or unless the minimum allotment is repealed.

I am somewhat surprised at my distinguished friend from Ohio speaking in opposition to the views of the great Secretary of Agriculture, Mr Benson. This is one instance in which I am willing to follow Mr. Benson's recommendation because I think it is an intelligent recommendation.

Mr. JENKINS. If the gentleman will yield, he does not come from Ohio.

Mr. COOLEY. I know he does not. I can easily understand how all these Members from the burley areas are disturbed over the little grower. Certainly it is not a pleasure for us to advocate a reduction of a minimum acreage. But the fact remains that in my area where flue-cured tobacco is grown we do not have a minimum. We did have a minimum in the cotton bill and we found out it would not work. I think it is a matter of time when we will have to do away with this minimum completely.

I urge the Members of the House to vote against the pending amendment and to stand by this subcommittee on tobacco and approve this bill just as it was brought to the House.

Mr. WATTS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I apologize for rising again so soon. But it is my recollection that I have taken more time on the floor today than I have since I became a Member in 1951.

Your committee realized what this problem was, they realized that there was a problem. As I pointed out to most of the Members a few minutes ago, the average burley tobacco base is only 1.1 acres. Sixty-four percent of those bases are seven-tenths of an acre or less. The Secretary of Agriculture told us we were going to have to reduce our acreage 50 percent. We called in the growers. They said, "We recognize we are in trouble. We know we are going to have to take a cut and we are willing to accept a 50 percent cut. But we think in all fairness that since we have taken a 70 percent cut in the last 6 years and we are going to have to take a 50 percent additional cut in the next 2 years, those fellows in the seven-tenths group ought to make some infinitesimal gesture toward carrying their fair share of the load."

The Secretary of Agriculture recognized that. Our committee recognized it. We had two groups who testified. One said it is necessary to wipe out the minimum. The other said, "No, you cannot touch the seven-tenths man. You have to go back and take this 50 percent off of the eight-tenths man, the nine-tenths man, the 1 acre man, the acre and a quarter man and the acre and a half man. We are a sacred group. We should let you save the program. We realize the cuts must come. We want it saved, but we want you to save it. We do not want to make a small contribution toward saving it."

Our committee did not hurt them very much, not half as much as the ones above them. They merely said, "While the other fellow above you is getting his base cut half in two, we ask you to make some small gesture and surrender some of your base in behalf of saving the program."

I will say today that if this minimum is not reduced and the other growers—and they represent 50 percent or more of the vote, even though there are not as many of them, because in this program every man and his wife, every tenant and his wife, and their sons all vote. And even though they own 36 percent of the bases above the minimum, counting the tenants and their wives—and an average farm that has a 2-acre tobacco base has tenants on it—when you break it up among tenants, it is not seven-tenths apiece for the folks that grow it; but they want some gesture made by the little man to help save the program. Goodness knows, I do not want to hurt anyone, but the growers will vote this program out just as surely as it is put to a vote, if the cuts are not fair.

I realize if we cut the little man too much they will vote it out. I realize if we do not make some gesture toward letting the seven-tenths man, who has being protected throughout the years, make some contribution to this program, the larger growers will vote it out. If you adopt this amendment, all you are doing is saying to the acre man, the acre-and-a-quarter man, the acre-and-a-half man, "Yes, I know your back is sore, you have taken a 70-percent cut already, but we are going to put the whole 50 percent on you. We are not going to require the other fellow to share any part of it."

I ask you in all fairness, and in order to save this program, please do not support this amendment.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield to the gentleman from Kentucky.

Mr. CHELF. I might say that I know how the gentleman feels. I know certainly how I feel about my folks. This is the first time I have ever come before the House and asked them to hurt my folks, but we have got to be hurt or we are going to be killed in this thing. It is like taking a big dose of castor oil, we have to hold our nose and take it down whether we like it or not, because the program is at stake and our lifeblood is at stake.

Mr. WIER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to take the 5 minutes, but because of the patience I have had in trying to give the little fellow a vote around here, I think I ought to try to make some contribution and I do want to make that contribution by saying this: Whatever happens to this bill, after what I have heard here this afternoon about my chewing tobacco, you are going to lose one of the best customers tobacco has.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BURNSIDE].

The question was taken; and on a division [demanded by Mr. BURNSIDE] there were—ayes 30, noes 54.

So the amendment was rejected.

Mr. BASS of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BASS of Tennessee: On page 2, line 21, strike out "five-tenths" and insert "six-tenths."

Mr. BASS of Tennessee. Mr. Chairman, my good friend and colleague from Kentucky [Mr. CHELF] has been saying all afternoon, "Hurt me a little bit, cut me a little bit, but do not kill me." Now I am giving him his opportunity. This will allow the cut, it will reduce the minimum acreage from seven-tenths of an acre as it is now to six-tenths of an acre, but it will not kill the little man, it will not destroy the program. It is a compromise. We have to do that many times in legislative matters. In fact, this was discussed in the subcommittee of which I am a member, that is the tobacco subcommittee. We called a representative from the burley tobacco area and gave them an opportunity to come before the committee. The question was put before the committee, "Would you agree to a six-tenths amendment?" Every person there, including the nonmembers of the committee who were from the burley belt, agreed except one. All except one agreed to the six-tenths amendment in the committee meeting. I find no serious objection to it anywhere. I would like to tell you this one thing. Just about a month ago we came before this body and we asked for more cotton acreage allotments. We do not need any cotton, we have cotton coming out of our ears in the warehouses. We have all the cotton we could possibly need, but we came before the House and pleaded with this body for an additional 3 percent allotment to be added to the quota which was established for 1955. Now why did we do that? We did it because we said that we had created a social problem because the little cotton farmer could not make a living. What brought that about was prior to last year we had a minimum acreage requirement in the cotton law. The little cotton farmer was allowed to raise cotton. But we eliminated that minimum. We created a situation where we had to come back this year and ask for more cotton acreage in order to take care of the little man. Let us not do that with tobacco. Let us not have to come back here and say, "We have all the tobacco we can possibly use anywhere in the world, but if we reduce the acreage and continue to reduce the minimum acreage, we will create a serious social problem whereby we will be forced to ask this body to vote additional acreage which we do not need, just in order to take care of those people who absolutely must be allowed to make a living if any marketable program and quota program is allowed to exist."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I am glad to yield to my distinguished chairman.

Mr. COOLEY. It is a fact that after the bill had been considered by the subcommittee of which the gentleman from Tennessee was a member, and it was reported to the full committee, when the final vote came in the full committee, there was only one dissenting voice in opposition to the bill which we now have before us in the form in which it was presented by the committee?

Mr. BASS of Tennessee. The chairman is an able gentleman.

Mr. COOLEY. That is right, is it not?

Mr. BASS of Tennessee. That is absolutely so, Mr. Chairman. That is true, but I would also like to call your attention to the fact that when that bill was brought to the floor by my distinguished chairman a few days ago, there was quite a bit of objection to it, it did not pass, and there was more than one dissenter at that time. I believe there are more dissenters here this afternoon than there were at that time. This amendment of mine is nothing but a compromise amendment. I would like to see the 0.7 amendment passed. I was for the other amendment. I did not say a word on it. I did not come down to the well of the House and ask you to vote for it, because we realize we must have some cut. I am for the cut. I have worked and helped to prepare the very bill which is before this Committee today. I have attended the hearings and I have done everything I possibly could. We realize we must have a cut in tobacco acreage, but certainly you can compromise and at least let the 0.6 of an acre man continue to grow tobacco. That is all I ask. Nobody is going to get hurt. If we approve this amendment, it is not going to destroy the tobacco program. Nobody can say that and be truthful about it. It is just not going to do it because in the case of the little man the minimum acreage requirement is not what has caused the trouble in the tobacco program. When the Secretary of Agriculture sent his representatives before the committee hearings originally, they did not recommend reducing the minimum acreage. They said take a look at it, but they did not say that is what is wrong with the program. They told us what was wrong with the program and then later on after the bill had been introduced, and after the subcommittee hearings were held and recommendations had been made, they did approve it.

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have to be realistic about this matter. If we are realistic we cannot overlook the fact that while it is true the minimum acreage has been cut from time to time, and it may seem small at present, it is a fact also that the yield per acre in the last 10 years has almost doubled. So that when you say a producer has been cut down in his production, you are not stating the fact. The cut has been in his acreage. But it is not acreage that we are dealing with; it is production which causes the surpluses.

We are also dealing with a type of agriculture where almost everybody is a small farmer. No one wants to hurt the small farmer, of course; but here you have a type of agriculture that is composed mainly of small producers. Further than that a very large proportion of them are people who are engaged only partially in agriculture. Many are part-time farmers. Others depend largely on other crops or livestock. Everyone knows that on seven-tenths of an acre or half of an acre of tobacco you cannot make a living. Anybody who grows tobacco on such a small acreage obviously must have some other source of income. So whatever you do in dealing with the minimum you are not depriving any farmer of his main source of living.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I will yield later if I have time. I have not had very much to say on this bill and I would like to proceed uninterruptedly for a moment or two.

I am in favor of a minimum. I want to keep a minimum allotment. But when five-tenths of an acre is producing almost as much as an acre would produce 10 years ago, and when production is exceeding consumption, everyone, I think, is going to have to take some reduction if a practical program is to be maintained.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. ABBITT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I concur in what the gentleman from Kansas [Mr. HOPE] has said, but since this bill has been reported from the committee the Department of Agriculture has had its representatives in every State and every section where burley tobacco is grown. I hold in my hand telegrams from those field representatives. I will not take the time to read them, but the large sentiment is that the growers are willing to go along and do whatever is necessary to carry on this program.

We thrashed out in our subcommittee this question of five-tenths or seven-tenths. A number of our people wanted to cut out the minimum entirely. Some thought it should be seven-tenths. Then, as a compromise matter, I proposed a five-tenths percent and that the seven-tenths be cut one-tenth of an acre per year. That was finally adopted with but one dissenting voice. I hope the Members of the House will stay by this bill because, as was pointed out by the gentleman from Kansas [Mr. HOPE], a man who has a five-tenths of an acre crop today is producing more than he was 10 years ago.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield for a correction?

Mr. ABBITT. I yield.

Mr. BURNSIDE. There was a meeting after the vote on the floor, and 15 or 16 Congressmen were at that meeting and only 2 voted against the six-tenths of 1 percent minimum and the rest voted for it.

Mr. CHELF. Do not include me, because I was not there.

Mr. ABBITT. I desire to express my appreciation for the fine work that the gentleman from Virginia [Mr. JENNINGS] has done in behalf of the burley tobacco growers. He has worked constantly on their problem and has been a real asset to our subcommittee. I know his growers will benefit from his fine work.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. WATTS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will not belabor the committee on anything except to say that the same argument I made in regard

to the other amendment applies to this one.

There are about 50 Members of Congress who represent the burley industry. There was a meeting constituted mostly of those who were opposed to reducing the minimum. I think the committee heard all of the evidence. I was there. I heard it.

This committee followed the advice of the Department of Agriculture. If you want a sound tobacco program—and it is very seldom that you ever hear a commodity coming to this floor and asking for a reduction. I know other commodities have said they needed a larger base.

We have brought to you the very best bill we could in the light of all the circumstances. We compromised as between the two groups. One is asking to maintain the 0.7 of an acre; the other wanted to wipe it out. I think the bill is fair; I think it has had due consideration and I hope the committee will support it.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. CHELF. Let me say this, Mr. Chairman, this is one piece of legislation that has absolutely not cost the Federal Government one cent. The fact of the matter is the tobacco program has turned money into the Treasury.

Mr. PERKINS. Mr. Chairman, I move to strike out the last word.

Mr. ABBITT. Mr. Chairman, will the gentleman yield for a consent request?

Mr. PERKINS. I yield.

Mr. ABBITT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at the end of the statement to be made by the gentleman from Kentucky [Mr. PERKINS].

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. PERKINS. Mr. Chairman, I certainly will not consume but a couple of minutes at this late hour. Personally, I regret that the bill was called up this time of the day, and on a Thursday afternoon.

Answering the gentleman from Kansas [Mr. HOPE], it is true that many of these small farmers raise other crops and livestock to supplement their income. These are the more fortunate ones. Many of them have no other income except from their tobacco crop, but generally raise livestock for their own personal use. The whole northern part of the district that I represent has a tobacco economy. Over a period of years these growers have built up their farms, and elevated their standard of living. The same thing holds true in many counties all through Kentucky.

No individual wants to do any harm to our tobacco program which means so much not only to Kentucky but to the Nation. The only question here is one of equity. I feel that it is unjust for the small grower to take the cut provided for in this bill. I was glad to support the amendment offered by the gentleman from West Virginia [Mr. BURNSIDE]. Since the Burnside amendment has been defeated, I urged the Members to support the amendment offered by the gentleman from Tennessee [Mr. BASS].

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Virginia.

Mr. JENNINGS. I want to point out, as I stated a while ago, that I am interested in saving the program. The acreage has got to be cut and I still think it can be. I am going to vote for this six-tenths of an acre.

Mr. PERKINS. The gentleman thinks this amendment should be adopted?

Mr. JENNINGS. Yes.

Mr. PERKINS. I certainly want to thank the gentleman from Virginia [Mr. JENNINGS] for the contribution he has made in behalf of the small grower. He has worked diligently for a sound minimum acreage program.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 44, noes 71.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIEMINSKI, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4951) directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year, and for other purposes, pursuant to House Resolution 189, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. KILBURN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KILBURN. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KILBURN moves that the bill be recommitted to the Committee on Agriculture.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

THE LATE JOHN W. DAVIS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, a disagreeable task faces me at this time. The ticker has just announced the death of John W. Davis, in a hospital at Charleston, S. C., from a sudden attack of pneumonia.

Mr. Davis, one of West Virginia's best known citizens and one of the Nation's outstanding legal minds, it will be recalled, served West Virginia and the particular district I have the honor to represent at the present time in the Congress of the United States, from 1910 until some time in 1913, when the late President Woodrow Wilson appointed him Solicitor General of the United States, in which capacity he served with great brilliance.

Mr. Davis, it will be recalled, was the Democratic nominee for President in 1924. He will also be remembered in more recent days—and I am sure somebody else will want to pay tribute to him for this service—as representing the State of South Carolina in the recent case in the United States Supreme Court on the question of segregation. May I say that it is unfortunate that this matter was just now brought to my attention, because I know there are many of his friends who served with him years ago in Government who would want to pay tribute to him.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have the privilege of extending their remarks on the death of John W. Davis at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from South Carolina.

Mr. RIVERS. Mr. Speaker, of course, the people of South Carolina are deeply distressed to learn of the untimely death of our adopted citizen, the great and eminent and constitutional giant, John W. Davis. He had been making my native city of Charleston his winter home for a number of years. He was stricken just recently. We adopted him because we loved him. He represented my district in the segregation case before that body known as the Supreme Court. He spoke to that outfit at a strange time, because he knew something of the Constitution. Of course, they did not understand him. He addressed his remarks to the record and to the Constitution and, of course, they rendered a decision inconsistent with the evidence and inconsistent with the testimony in the lower court. They rendered a decision inconsistent with common sense, because that is the language John Davis talked. We are distressed, of course, that he should die. Of course, we are distressed in our native city, but my city is a greater city because he kind of adopted it. My district is a greater district because he carried our constitutional question in a constitutional way to the Supreme Court. It was not his

fault that they did not understand him. They do not understand any man who talks precedent and constitutionality. John W. Davis did not live to see his position vindicated, but the years will prove him right, as it will prove my people right in this fight for tradition and constitutionality.

Mr. BAILEY. I deeply appreciate the comments made by the gentleman from South Carolina on West Virginia's outstanding citizen.

Mr. HARRISON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. Mr. Speaker, John W. Davis was one of the greatest, if not the greatest, of our contemporary men. He was possessed of a marvelous intellect; a fine man and a man of great character. He was born in the State of West Virginia, was educated at the Washington University in Virginia, and went on from there to a great career in this body, Ambassador to the Court of St. James, and was the Democratic nominee for President of the United States. His passing is a tremendous loss to the country.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, the life of John W. Davis is an inspiration for all to follow. His was a constructive life; a man whose nobility of character was a symbol for all to follow. He led a full life; and he led a good life and a noble life. He leaves behind him a heritage that will take its place among the prominent pages of American history.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am deeply sorry to learn of the passing of John W. Davis. My husband and I saw him and his wonderful wife very, very often here in Washington. We always felt that he would have made a very wonderful President of the United States. He had a brilliant mind, was a great lawyer, and a man of splendid character. Everything he did he did well. He performed a great service for his country; a great service for humanity.

Mr. BAILEY. I sincerely thank the gentlewoman from Massachusetts.

Mr. Speaker, it is with sincere regret that the news announcing the death of John W. Davis reached the floor of the House late today. This has precluded many of his friends and admirers from paying tribute to this truly great American.

Mr. Davis was hospitalized 2 weeks ago after he suffered his third pneumonia attack of the winter at Yeaman's Hall, a resort near Charleston, S. C. Earlier in the week he was thought to be recovering and had expressed a desire to return home from the hospital. He suffered a relapse, however, and died Thursday, March 24.

John W. Davis was born on what is now Washington Avenue, Clarksburg, and the Davis home was later on Lee Avenue. He was born April 13, 1873, a son of the late John J. and Anna Kennedy Davis.

He was admitted to the bar in 1895 and in the year 1896–97 was assistant professor of law at Washington and Lee University. In 1897 he began the practice of law in Clarksburg in partnership with his father, the late John J. Davis.

Voters in 1899 chose Mr. Davis as a member of the West Virginia House of Delegates, a post that started a political career which was to result in his nomination of the Presidency in 1924.

He was a delegate to the Democratic Convention in St. Louis in 1904, and he was elected to the 62d and 63d Congresses. In 1913 the late President Woodrow Wilson named John W. Davis as Solicitor General of the United States and he remained in that office until 1918. His service as Solicitor General resulted in many appearances before the United States Supreme Court, where he was also to practice frequently in the later years of his life.

John Davis was a member of the American delegation to a conference with Germany at Bern, Switzerland, in 1918, on treatment and exchange of prisoners in World War I, then in progress. While he was there, William Hines Page resigned as Ambassador to Great Britain and President Wilson appointed Mr. Davis to that most important diplomatic post.

Returning to this country in 1921, he returned to private practice to recoup his personal fortune.

In one of his last appearances before the Supreme Court, Mr. Davis represented the State of South Carolina in the public school segregation case. The court rejected his arguments for continuing segregation under the separate-but-equal doctrine. Davis would accept no fee for his services in the school case. The South Carolina General Assembly authorized purchase of a silver tea service for him, and his long-time friend, former Gov. James F. Byrnes, went to New York to present it to him.

Mr. Davis' nomination for President came in New York at the longest convention ever held. William Gibbs McAdoo and Gov. Alfred E. Smith remained deadlocked through many ballots. Finally they released their delegates, and Mr. Davis was chosen on the 103d ballot.

The country was enjoying unprecedented prosperity under President Coolidge, and Davis' vigorous campaign was in vain. Coolidge won all States except the 12 of the solid south and Wisconsin, which voted for a third party ticket, and he was continued in office.

Mr. Davis' legal career covered a wide range of cases. As a young man he defended "Mother" Mary Jones, a labor organizer, and Eugene V. Debs, Socialist leader, against charges of inciting to riot growing out of a strike of West Virginia coal miners.

Later he represented financier J. P. Morgan and some of the country's largest corporations. As Solicitor General he successfully defended constitutionality of the Federal Reserve Act, the income tax, the Adamson eight-hour law for railroads and the World War I draft law.

In 1952 the steel industry retained Mr. Davis to argue before the Supreme Court against President Harry S. Truman's seizure of the steel mills in an effort to stave off a strike. He won his case.

Mr. Davis had degrees from Washington and Lee University, West Virginia University, and the University of Birmingham, England.

Mr. Davis was president of the West Virginia Bar Association in 1906. He was a 32d degree Mason and he returned to Clarksburg a few years ago for a program honoring him at the time he completed fifty years as a Mason. He was a charter member of Clarksburg lodge No. 482, Benevolent and Protective Order of Elks.

After Mr. Davis was nominated for the presidency in 1924 Clarksburg put on a homecoming celebration for him. The official notification and acceptance addresses were given there. Dignitaries from throughout the Nation were among the tens of thousands who turned out for Davis' acceptance address delivered in Goff Plaza. The crowd was one of the largest ever assembled in Clarksburg.

He represented the Associated Press in an attack on the Wagner Labor Relations Act, terming the law a direct and palpable invasion of the freedom of the press. The Supreme Court upheld the Wagner Act, 5 to 4.

There are other things that thousands will remember today about John W. Davis beside the fact that once upon a time he ran for the highest office in the land. He was a gentleman in the sense that Confucius used that much-abused word—a superior man—with a courtliness that came from a fine intellect and a warm heart and a gentle manner. In whatever circle he moved, there was none other who seemed so fitted to be at the head of the table. To that place his fellows instinctively beckoned him. Nobody can say what kind of a President he would have made, but one can say with confidence that John W. Davis had a sense of statesmanship.

Mr. Davis owed a great deal to his West Virginia origins as well as to his own natural gifts, and those who came to see him in his elegantly appointed Wall Street Office were confronted by his father's shingle prominently displayed on his desk: "Jno. J. Davis." Mr. Davis was an American in the grand manner.

Mr. TUCK. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Virginia.

Mr. TUCK. Mr. Speaker, under the circumstances it is impractical for me to attempt to deal justly with so great a subject, and yet I cannot allow this occasion to pass without paying a brief tribute to the life and character and public services of so great a man as the late Honorable John W. Davis, who died in South Carolina today.

I had the privilege of graduating in law from Washington and Lee University which is the same university where he received his training. I had the pleasure of meeting him on the campus of that university in 1923, where he served

for so long as chairman of the board of trustees.

I embrace his philosophy of government, and I endorse his public career and the things for which he stood. He will be greatly missed in America because of his wise counsel and his leadership and his devotion to the fundamental principles upon which this Government was established.

I had the pleasure of seeing him for the last time in October 1953, when he and I both were honored with the 33d degree of Masonry here in Washington. He called my office early that day and requested that I come to his room and accompany him through the ceremonies because of the fact that he was then quite advanced in years and somewhat feeble. It was a great experience to know him, and I shall ever cherish the memory and the privilege of that close association with such an illustrious American who was a giant in intellect and a great man in every way. Virginia regarded him as one of her sons because of the fact that he was trained at Washington and Lee University.

Mr. BAILEY. Mr. Speaker, speaking for myself and the Members of the West Virginia delegation and I am sure every living West Virginian, I should like to say that we deeply appreciate the very fine remarks of the distinguished gentleman from Virginia [Mr. TUCK].

Mr. Speaker, at this time I ask permission to revise and extend my remarks, because there is very much more that I would like to say in tribute to one of the greatest West Virginians, and certainly one of the outstanding Americans of the past century.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEGISLATIVE PROGRAM

Mr. HOPE. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader if he will kindly inform us as to the legislative program for next week.

Mr. McCORMACK. I will be very glad to do so. But, first Mr. Speaker, I ask unanimous consent that this colloquy be placed in the RECORD at the end of the proceedings in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on Monday, we will take up the agricultural appropriation bill for 1956. If we finish with that in time, we will consider the bill, H. R. 3659, to increase penalties under the Sherman Antitrust Act.

I understand that will not take long. There is just one amendment.

If not, that will go over until Tuesday.

Tuesday is Consent Calendar and Private Calendar.

On Wednesday the independent offices appropriation bill, 1956.

Thursday and Friday are undetermined.

If the conference report on H. R. 4259 is filed, it will not be brought up before Tuesday. If a rule is reported and other conditions permit, the postal pay raise bill will be brought up during the week.

I might also say that I have an agreement with the leadership on the other side that if there is any rollcall on Monday it will be put over until Tuesday.

Mr. ARENDS. I thank the majority leader.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORITY TO RECEIVE MESSAGES AND TO SIGN ENROLLED BILLS, ETC.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday next, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RECEIVING HIS EXCELLENCY MARIO SCELBA, PRIME MINISTER OF ITALY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker at any time on Wednesday next to declare a recess of the House for the purpose of receiving His Excellency Mario Scelba, Prime Minister of Italy.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE LATE PAUL V. McNUTT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to pay tribute and express my deep sorrow at the passing of the late Paul V. McNutt. He and his handsome wife and beautiful daughter were my neighbors at the Shoreham Hotel. I saw them often and admired them all very much.

He occupied many high positions, including Governor of Indiana, Governor of the Philippines, head of the Federal Security Agency, and national commander of the American Legion. He was a fine soldier, patriot, and statesman.

THE HOOVER COMMISSION

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I desire to speak about the Hoover Commission. It expires May 31, 1955. We should not permit it to be extended.

NOT BIPARTISAN

I believe it was the understanding of Congress when this Commission was created that it was a bipartisan commission. It has been discovered recently, at least I discovered it recently, that it is not a bipartisan Commission at all. When the resolution passed in the House in 1953 creating the new Commission and it went to the Senate the word "bipartisan" that had appeared in the resolution creating the first Commission was stricken out. Therefore, it is a partisan commission, and I think it should be recognized as a partisan commission.

IS IT LEGALLY CONSTITUTED?

Further, the law creating this commission contained language to the effect that "the Commission shall elect a chairman and a vice chairman from among its members." A vice chairman has never been appointed or selected by the Commission. As to whether or not this was permitted for the purpose of giving the chairman the sole and exclusive power to control the Commission without any interference by even the vice chairman I do not know, but that part of the law has not been carried out.

Furthermore, the Commission has been exceeding its authority. It has gone way beyond the powers and duties granted to it by the Congress. In addition to that, it has caused to be created a big lobbying organization headed by Mr. Hoover, the chairman.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. ALBERT. The gentleman was a Member of Congress when the Hoover Commission was created, was he not?

Mr. PATMAN. That is right.

Mr. ALBERT. Is it not true that the Hoover Commission was created mainly to suggest procedural changes in the government and not substantive changes which, of course, is within the province of the Congress.

Mr. PATMAN. That is right. The Commission was formed to suggest them.

Mr. ALBERT. And that refers to suggesting procedural and not substantive changes.

Mr. PATMAN. The gentleman is exactly right. Instead of that the Commission has gone way beyond the power granted to it by the Congress and is taking over a lot of legislative duties which belong to the Congress of the United States, the elected representatives of the people. Newsweek magazine of October 18, 1954, contains an article about the Hoover Commission, and this article which was circulated widely just before the election in November 1954 contains this paragraph at the end:

But the Commission's work will only be a starter in the tremendous task of setting the Federal bureaucracy in order. Inertia and special interest will be stumbling blocks but a counter pressure will work for enactment of the Commission's recommendations.

THE CITIZENS COMMITTEE FOR THE HOOVER REPORT

This pressure group to end pressure groups has been systematically mobilizing public opinion and it will fight tenaciously for the kind of good government which it believes big government precludes.

ILLEGALLY OPERATING WITHOUT REGISTERING

Let us read over just one statement there. It says this pressure group to end pressure groups—in other words that is an admission that the group—Citizens for the Hoover Commission Report—is a pressure group, even though without that admission we know that it is. It is a pressure group. So then the question comes to our mind as to whether or not Congress should inspire an outside group to pressure Congress to do something when this outside group is composed of people engaged in certain business interests that have contracts and business in conflict with the Government. It would probably seem to some people it is possible that the Congress wants certain things done which we know the Hoover Commission will recommend and that we are not frowning upon or opposing any pressure which is exerted upon us to do the things they want done representing as they do these special interests, the biggest interests in the Nation. Now I am not opposed to a business interest just because it is big. That is not the question at all. But it is the way they use their bigness. So here is a pressure group which the Hoover Commission admits is a pressure group: This article which was sent out by the Citizens for the Hoover Report, shows that it is the biggest pressure group of all times. Therefore, this pressure group being a lobbying group should be registered as lobbyists. Investigation I have made so far fails to disclose that the group has registered as a lobby organization. I think that should be looked into by the Attorney General to find out whether this greatest lobby of all times is going to continue to evade the law and pay no attention to the law and get by with it, without any action being taken by the Attorney General.

WHAT MR. HOOVER ADMITS

JANUARY 19, 1955.

Hon. HERBERT HOOVER,
Chairman, Commission on Organization of the Executive Branch of the Government, General Accounting Office Building, Washington, D. C.

DEAR MR. HOOVER: After reading your progress report of December 31, 1954, filed with the Congress, I would like to have the following information:

1. Why has a vice chairman not been selected? This question is asked because I am a great believer in congressional mandates being carried out, and, further, the failure to select a vice chairman possibly places your Commission in the category of not being legally constituted.

2. Do you consider the present Commission a bipartisan Commission? The information I have seen as put out on the citizens for the Hoover report and information I have read emanating from you discloses that it must be a bipartisan Commission, but I would like to have reassurance from you if you agree that it is.

3. My attention was attracted to the statement that your Commission is now considering policymaking matters. I would like to know by what authority the Commission is considering policymaking matters?

If you will give me the answers to these questions at your convenience, it will be appreciated very much.

Sincerely yours,

WRIGHT PATMAN.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT,
Washington, D. C., January 22, 1955.

Hon. WRIGHT PATMAN,
United States House of Representatives, Washington, D. C.

DEAR MR. PATMAN: I acknowledge receipt of your letter of January 19. The following replies to your requests for information are numbered to correspond with the numbers in your letter:

1. You will have to poll the members of the Commission to get the answer. Since the Commission began its work, I have presided at all its meetings and have given an average of 70 to 80 hours per week to its activities. Perhaps the Commission feels that no vice chairman is needed for the time being.

I do not feel qualified to pass on the question of whether the Commission is legally constituted. You might ask the Attorney General for an opinion on the subject. As you probably know, he is a member of the Commission and should be well qualified to give you an answer.

2. Public Law 162 of the 80th Congress, which established the first Commission on Organization of the Executive Branch of the Government, provided in section 2 for a bipartisan Commission. This word was left out of section 2 of Public Law 108 of the 83d Congress, which established the present Commission.

To date there has not been any evidence of political partisanship in the deliberations of the Commission, and I anticipate none. I have never questioned any of the members as to party affiliation. Senator Ferguson and Congressman Brown were elected to the Congress as Republicans and Senator McClellan and Congressman Holifield were elected as Democrats. I assume that Messrs. Brownell and Flemming are Republicans, and it is generally supposed that Messrs. Farley and Kennedy, having served in high positions under Democratic administrations, are Democrats. I am a Republican.

You are familiar with the seven headings set out in section 1 of our act of establishment (Public Law 108) which direct our attention in general to bringing about economy and efficiency in Government. We have assumed from the beginning that in many cases these goals may well be achieved through policy changes and we have, therefore, decided that we are authorized to make recommendations with respect to questions of policy.

Faithfully,

HERBERT HOOVER,
Chairman.

JANUARY 29, 1955.

Hon. HERBERT HOOVER,
Chairman, Commission on Organization of the Executive Branch of the Government, General Accounting Office Building, Washington, D. C.

DEAR MR. HOOVER: In your reply of January 22 to my letter concerning the selection of a Vice Chairman for the Commission, you stated that I will have to poll the members of the Commission to get the answer to the question as to why a Vice Chairman was not selected.

When the first Commission was organized in 1947, it is my understanding that immediately after you assumed the position as Chairman, you presented to the Commission as the first order of business the selection of a Vice Chairman. A Vice Chairman was selected. During the existence of the Commission there was a vacancy, and the vacancy was filled.

What I cannot understand is why you did not make the first order of business the selection of a Vice Chairman when you became Chairman in 1953 under the present act. It occurs to me that it is a matter entirely up to you as Chairman. The law is rather plain on the subject. It says:

"ORGANIZATION OF THE COMMISSION

"SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members."

Since this is the plain letter of the law, I cannot understand why a Vice Chairman is not selected. The Congress has spoken and the language represents a legislative mandate. This would possibly seem like a minor question to a lot of people—possibly to you—but it is not a minor question to me. I think it is a matter of major concern when the plain language of the law is ignored. To ignore the law over a period of time will probably be considered open defiance of the law. Oftentimes the question of the spirit of the law can be debated and honest people differ about it; but on the plain letter of the law, I don't think there should be any debate, as there is not but one side to the question.

Considering this matter a serious one, Mr. Hoover, I sincerely hope that you will yet comply with the law and present the selection of a Vice Chairman to the Commission in order that one may be selected and the law complied with.

Sincerely yours,

WRIGHT PATMAN.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT,
Washington, D. C., February 5, 1955.

The Honorable WRIGHT PATMAN,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN PATMAN: I acknowledge receipt of your letter of January 29 last. I am afraid there is little to add to my letter to you of January 22.

You seem disturbed about the possible legality of our Commission because no Vice Chairman has yet been appointed. I suggest that you ask the Attorney General for a ruling on this subject.

Yours faithfully,

HERBERT HOOVER,
Chairman.

FEBRUARY 7, 1955.

Hon. HERBERT HOOVER,
Chairman, Commission on Organization of Executive Branch of the Government, General Accounting Office Building, Washington, D. C.

DEAR MR. HOOVER: In your letter of February 5, you state, "You seem disturbed about the possible legality of our Commission because no Vice Chairman has yet been appointed. I suggest that you ask the Attorney General for a ruling on this subject."

The real concern I have, Mr. Hoover, is the fact that a former President, and one who holds a high position that you now hold, would ignore the plain letter of the law, and thereby defy the Congress of the United States, the body that created your Commission.

I am greatly disturbed about people in high places ignoring any law, regardless of how insignificant the law appears to be to them. After all, according to the legislative mandate that created the Commission that you are Chairman of, it is just as important to have a Vice Chairman as a Chairman; the phrase "shall select" applies to both Chairman and Vice Chairman.

I cannot help but believe that the forces in our country who would like to lead us down the road to a dictatorship in any form—particularly fascism—receive great comfort and satisfaction from any Government official ignoring any law. I am sure that you remember that both Hitler and Mussolini started their respective Fascist movements in Germany and Italy by ignoring laws. In a democracy, where officeholders are servants of the people, this should not be tolerated.

Out West—in Iowa, Texas, and California—where people are very plain spoken, anyone who deliberately violates a law, or ignores the plain letter of the law, is referred to as an outlaw. You certainly do not want your organization to be referred to as an outlaw organization.

Regardless of what the Attorney General might say about the legality of your action, good citizens who understand plain English and the plain letter of the law would, doubtless, still believe that the law should be complied with as written by Congress.

Sincerely yours,

WRIGHT PATMAN.

VETERANS AROUSED

Mr. Speaker, I am inserting herewith an editorial from Disabled American Veterans of March 15, 1955:

THE HOOVER REPORT

Again the Hoover Commission in a report to Congress, has viciously attacked the Veterans' Administration and the medical program for the treatment and hospital care of America's wartime disabled and all veterans.

The report does not confine itself to the medical program provided by law, but assails the payment of compensation to the wartime disabled and the payment of pensions to the totally and permanently disabled wartime veterans as well.

The Hoover Commission Report on Federal Health and Medical Services and its brutal, unprincipled, and sinister assault on the veterans of America's wars is perhaps the most reprehensible document filed in the Congress of the United States in a long, long time.

It is brutal because of its complete disregard of the damage and hurt that it is doing to thousands of men and their families—the very men whose sacrifices have saved the members of this Commission from being vassals of a foreign dictator.

It is unprincipled, unworthy, and an insult to the statesman whose name it hides behind because it is filled with untruths and exaggerations by the score—untruths that are worse by far than direct and recognizable falsehoods.

It is sinister because, through its pages, the Hoover Commission in a base and evil manner, and apparently with utter disregard to the harm and hatred it engenders, uses its power, its prestige, and its position in an effort to malign the sick, the halt, the lame, and the blind, and to tear down and destroy the noble work of those American citizens who recognized the debt they owe and will ever owe to this Nation's wartime defenders.

The whole report bears the fingerprints of the money changers in the temple—of selfish, ungenerous, and mercenary individuals who have lost all sense of gratitude in their self-centered and greedy world.

These are not the findings or recommendations of a fair, impartial, just, and equitable tribunal. It will fail because its findings and recommendations are untrue, misleading, and cannot be sustained.

The Hoover Commission report on Federal Health and Medical Services is an indictment against the Veterans' Administration and the former members of the armed services who have been granted certain benefits by a grateful and humane government.

But the report is also an indictment against the Congress of the United States which has granted these benefits because they were carrying out the wishes of the people of the United States—and then, only after long and countless hours and days of study and reflection.

The Congress of the United States created the Hoover Commission. Is it now possible that the Hoover Commission believes itself more powerful and more representative of the people of the United States than our Congress?

Let's ask our Congressmen.

HOOVER TASK FORCES

Mr. Speaker, the first Hoover Commission created in 1947 was considered a bipartisan commission. President Truman in order to impress the people of the country of its bipartisanship selected former President Herbert Hoover for its chairman. The second Hoover Commission was created in 1953 for the purpose of finishing up the work of the first commission. It, too, was represented to be a bipartisan commission. Its appearance as a bipartisan group would have been strengthened if President Eisenhower had selected an outstanding person from the Democratic Party as chairman. It now appears that the present commission is intended to be partisan.

VETERANS BEFORE HOOVER GROUPS

The veterans organizations including the American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and others, have had their representatives appearing before task forces of the Hoover Commission. This does not seem right to me. Veterans should not be required to go through some outside group in order to get their views to their Congressmen. At the hearing of a Hoover Task Force the persons conducting the hearing are not elected officials of our Government; they owe no direct responsibility to the people; they have not even been appointed to the task force by anyone who was elected by the people. These task force members do not occupy the same position that a Member of Congress occupies, neither do they have the duties or responsibilities that Members of Congress have, and certainly they cannot be impeached for failure to perform their duties properly, and since they do not run for public office, and do not hold public office, they cannot be defeated by the people. Imagine a task force of 15 members conducting such a hearing for Congress. Although occupying positions as Members of Congress in the hearing they have their own ideas and convictions by reason of their long experiences in certain types of private businesses. Congressmen are prohibited by law from being personally interested in Government contracts and restricted in many ways. But these task force members are not so restrained. There is nothing to prevent them from using their influence in any certain direction. Yet war veterans are required to present their views and make appeals for the passage of legislation to them instead of to a congressional committee. I believe that well informed veterans will agree that the Hoover Commission has not been too anxious to be helpful in getting the constructive proposals of the veterans organizations carried out. In fact I think it would be generally agreed that the Hoover Commission has been pretty hard on the veterans particularly on medical care and hospitalization.

Former President Hoover has demonstrated his antagonistic feelings toward veterans of wars. He is not expected to help war veterans. It is the duty of Congress and the President to see that he is not permitted to unduly harm them.

CONGRESS RECEIVES MORE MESSAGES FROM HOOVER THAN FROM THE PRESIDENT

Mr. Speaker, it is no wonder that there is confusion in Congress. Who is running the executive branch? Congress gets more recommendations from Mr. Hoover than from President Eisenhower.

The following article recently appeared in a Washington, D. C. paper:

HOOVER COMES BACK STRONG—EX-PRESIDENT SEEN INSTRUMENTAL IN MOVE TO RETURN CONTROL OF CREDIT TO NATION'S BANKING INDUSTRY

(By Thomas L. Stokes)

It is doubtful if the American people understand or properly assess the powerful influence that Herbert Hoover exerts on the Eisenhower administration, which is, as we know, the first Republican administration since Mr. Hoover's own which had to devote itself chiefly to wrestling with the depression that broke only 6 months after it began.

Mr. Hoover had to wait a long time for a Republican administration after his own was repudiated so overwhelmingly at the polls in the 1932 election. But he has come back strong. He offers his advice in many fields to the Eisenhower regime, though his impact is directed through the Commission on Reorganization of the Government of which he is Chairman, and Chairman in fact as well as name.

The former President was, as you recall, brought back into public service by ex-President Truman to head the Commission. Then, however, the Commission was limited to recommending ways to make the Government more efficient and less wasteful by eliminating duplication of services and functions, overlapping, and such.

In the Eisenhower administration, however, the Hoover Commission was given authority to invade the field of policy in many areas of Government and this Mr. Hoover has set out religiously to accomplish. You can imagine he is directing this with some relish; for the policy chiefly affected is that

body of laws and principles passed and established in the 20 and more years since Mr. Hoover left the White House—the New Deal which he so vigorously assails from time to time.

This will become clear with the release shortly of the Hoover Commission report on Federal lending agencies, and some time hence in the report on water resources. If the recommendations of these should be approved by Congress, we would get a revision of the aims of many New Deal reforms, as well as some dating back beyond that, and even beyond Mr. Hoover's ill-starred administration. The forthcoming reports are worth careful public scrutiny; for nothing like the drastic policy revision urged was before the people in the candidacy of General Eisenhower in 1952.

If carried out, the recommendations in the Hoover report on Federal lending agencies would turn back credit control, with a nice profit, to the bankers. That would wipe out the victory, won at much cost and culminating in the Roosevelt administration, which gave the people through their Government control over money and credit. Or, as the late Franklin D. Roosevelt put it, "moved the money capital of the United States from Wall Street to Washington"; or, as he stated his aim more dramatically in his first inaugural, "to drive the money changers from the temple."

More and more this administration is taking on the colors and contours of a bankers' administration. The bankers and big finance have been moving into position, as is manifest in such operations as bonds for schools, bonds for roads, as well as in the Hoover proposals.

Under the latter, loans for farmers, for veterans, for homeowners, for small business, for rural electric cooperatives, and the like, would be removed from Government agencies and institutions and, by one device and another, turned back to private bankers. The result would be higher interest rates and higher fees of all sorts.

It is hard to imagine that the many groups affected would take this lying down, especially farmers, small-business men, and veterans. One of the greatest economic battles of our time, and it was bitter, was the struggle of the farmers to free themselves of banker control so they could get reasonable interest rates. It was this battle that William Jennings Bryan led around the turn of the century; that Woodrow Wilson joined in his time and which resulted during his administration in new credit facilities for farmers and small-business men; that flared up again in the Harding administration, with its brief postwar depression, to bring additional credit facilities for farmers, and which finally ended with basic banking and credit reforms in the Franklin D. Roosevelt administration.

It is possible that Herbert Hoover finally has handed the Democrats the issue for which they have been seeking.

They have made him an issue ever since 1932; but it had been wearing thin the last couple of elections.

Now he is asking for it.

PERTAINING TO DUTIES ON SWISS WATCH IMPORTS

The SPEAKER. Under previous order of the House, the gentleman from Maryland [Mr. LANKFORD] is recognized for 15 minutes.

Mr. LANKFORD. Mr. Speaker, with the problem of extension of the reciprocal trade program now before the Congress, all of us have been besieged with arguments that tariffs must be raised on a wide variety of products in order to protect industries whose skills and facilities are supposedly essential for national defense.

This defense-essentiality argument was first propounded by the four domestic manufacturers of jeweled watches, who have thereby succeeded in obtaining a 50-percent increase in duties plus other drastic actions against watch importers. Impressed with the success of the four watch producers, many other industries are now rushing to get under the defense umbrella, thus threatening to undermine basic United States policy aimed at encouraging an increased volume of international trade.

My interest and concern with this situation, Mr. Speaker, stems from the fact that the Swiss are the largest purchasers of high-grade Maryland export tobacco which is grown in the Fifth Congressional District of Maryland, which I have the honor to represent. If the Swiss cannot sell their watches in the United States because of unduly high tariff rates, then they will not have the money with which to purchase Maryland tobacco, as well as the many other items we sell them.

As many of you know, the Office of Defense Mobilization issued a report last June, finding that four jeweled watch companies were essential to national security. Since that time, there has been so much talk about the precision skills of these companies and their alleged importance to defense that it has been generally assumed that this represented the official position of the Defense Department and all branches of the armed services. Certainly, I assumed that this was true, and I presume that other members of Congress understood that the Defense Department felt these four firms possessed unique and vital skills.

It now appears, however, that we have been subjected to a gigantic hoax, a deception perpetrated by those persons inside and outside the Government who are interested in fostering a protectionist policy in the United States.

The true facts, as revealed only within the last few days, are that the Defense Department advised ODM last year that these four companies were in no way essential to national security and that "no special nor preferential treatment for the industry is necessary."

Last year, at the request of ODM, the Defense Department conducted what was described as "one of the most complete studies made of end item full mobilization requirements for a single industry." Mr. C. S. Thomas, who was then Assistant Secretary of Defense in charge of supply and logistics and is now Secretary of the Navy, stated:

> In its preparation and review, the report has had the benefit of the most thorough examination by technical experts of the three military departments. The conclusions have been reached after careful consideration by cognizant officials of the Department.

What the Defense Department told ODM was this:

First. The timing devices used in the ammunition program were produced by the jeweled watch manufacturers, nonjeweled watch and clock manufacturers, and others completely outside the horological group. There does not appear to be any part of the manufacture or assembly or mechanical time fuses that is peculiar only to the jeweled watch industry.

Second. Only 11 percent of the total mobilization requirement—for all timing devices—planned with industry, is with the jeweled watch industry.

Third. There is in no way a unique requirement for it—the jeweled watch industry—in the fuse program. Many manufacturers outside the jeweled watch industry are capable of producing mechanical time fuses and rear fitting safety devices. Every part is being produced by some company other than a jeweled watch firm.

Fourth. Mobilization requirements of the Defense Department for jeweled watches and chronometers are nominal, far below World War II levels. Sufficient capacity will remain and can be used for current procurement needs and be the basis for supplying the mobilization requirements. If in the future, it should become apparent that sufficient capacity will not be maintained and available, the Defense Department can then procure all of its requirements of jeweled movements for the mobilization reserve—that is, can easily be stockpiled.

Fifth. The needs of the Defense Department for industrial capacity clearly demonstrate that no special nor preferential treatment for the jeweled watch industry is essential.

It is apparent that this report, which Secretary Thomas said represents the position of the Department of Defense, settles once and for all the fact that there is nothing unique about the four jeweled watch companies, so far as national security is concerned.

Why the ODM committee reached an opposite conclusion in the face of the opinion from the highest authority on defense requirement, is a mystery which I believe should be investigated.

I would also be interested in determining why this valuable report was kept classified secret for such a long time. Could it be that those in the Commerce Department and elsewhere in the administration, who are attempting to sway this Government toward a high-tariff policy, were aware of the fact that their efforts would be thoroughly demolished when the true facts reached the light of day?

In any event, Mr. Speaker, I think all of us will agree that there is nothing more important these days than the security of the United States; I am acutely aware of the vital role which industry plays in maintaining our defense readiness.

However, it is my conviction that we must be very cautious in accepting alleged arguments of defense essentiality as the basis for invoking escape-clause actions which are certain to have far-reaching repercussions throughout the free world. Unilateral actions of this magnitude should be taken only after the most thorough investigation has determined: First, that an industry is absolutely vital to our security; and, second, that there are no alternative methods of preserving its skills and facilities.

In the case of the four domestic watch producers, it is obvious that neither of these tests was met.

Because the watch action represented the first use of the escape clause affecting a major concession in a trade agreement, and because this action also established a potential precedent for other industries to obtain tariff relief on the basis of alleged essentiality to defense, I think all Members of Congress will be interested in reading the full text of the Defense Department's report debunking the claim that these companies have unique skills and facilities which must be preserved.

Mr. Speaker, under unanimous consent, I ask to have the recently declassified Defense Department report included as part of my statement. I also include as part of my statement a letter I wrote to the President, March 22, 1955, pertaining to this same subject:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., April 29, 1954.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Washington, D. C.

DEAR DR. FLEMMING: The enclosed report represents the position of the Department of Defense on the essentiality of the domestic jeweled watch manufacturing industry. In its preparation and review, the report has had the benefit of the most thorough examination by technical experts of the three military departments. The conclusions have been reached after careful consideration by cognizant officials of the Department.

We fully appreciate the importance of the report to industry. Therefore, it has been prepared in such a fashion that you may, if you wish, furnish copies of the text, without the enclosures, to properly cleared officials of the companies and the union concerned, when the President's Committee has concluded its review of the problem. In addition, if you decide there is a need for a news release to the general public on the major conclusions, my staff will make themselves available to assist in the preparation of a press release for this purpose.

Twenty numbered copies of this report have been transmitted under separate cover to your Mr. John Hilliard, Deputy Assistant Director for Manpower and Personnel. He will be responsible for distribution of the report to the members of the committee.

Sincerely yours,

C. S. THOMAS.

DEPARTMENT OF DEFENSE REPORT ON THE ESSENTIALITY OF THE JEWELED WATCH INDUSTRY

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C.

(The text contained in the original April 26 1954 report has been declassified as of February 28, 1955, except for par. III. B. 2. A summary declassified paragraph has been substituted in this report for the original paragraph. All enclosures to the report retain their original classification and will be published, together with the original par. III. B. 2., in a separate classified supplement for the benefit of staff having need of these data.)

The classified report, Office of the Assistant Secretary of Defense (Supply and Logistics) dated April 26, 1954, entitled "Department of Defense Report on the Essentiality of the Jeweled Watch Industry," is rescinded and will be destroyed in accordance with the security regulations of your department or agency.

(Adjusted for declassification February 28, 1955.)

I. INTRODUCTION

The President of the United States requested the Director, Office of Defense Mobilization, to establish a current government position on the essentiality of the domestic jeweled watch industry to the Nation for purpose of defense. The Office of Defense Mobilization reactivated the interdepartmental committee under the chairmanship of the Assistant Director of Defense Mobilization. This includes representatives of the Departments of State, Treasury, Defense, Commerce, and Labor. The Department of Defense was asked to evaluate its need for the output of the industry for the purpose of producing military equipment to support a mobilization. The domestic jeweled watch manufacturing industry is composed of Bulova Watch Co., Elgin National Watch Co., Hamilton Watch Co., and Waltham Watch Co.

Since almost any type of industrial capacity for manufacturing defense products is generally essential in an all-out mobilization effort, this study, therefore, had to consider the degree of the essentiality of this industry to defense production.

II. DEPARTMENT OF DEFENSE PROCEDURE

A Department of Defense task group, composed of representatives of the military departments and the Offices of the Assistant Secretaries of Defense (Supply and Logistics) and (Manpower and Personnel) was established. This task group formulated the methods of approach to the problem; determined the types and scope of the data required from the military departments; reviewed and evaluated these data; conducted as Department of Defense teams, field surveys of industrial facilities; and served generally as a focal point for coordinating the activities of this study.

In order to make the study as complete as possible, coverage includes mobilization requirements for jeweled movements, timing mechanisms for the ammunition program, and the interrelationship of subcontracting and parts production for other manufacturers of military equipment. The horological industry and nonhorological firms producing the same types of products were considered. Attention has been given to current production and inventories (enclosure 1). All of the jeweled watch companies, and 27 other manufacturers producing military equipment and procuring parts from the jeweled watch industry, were visited by Department of Defense staff in the course of this study (enclosure 2). Order boards were obtained from the jeweled watch companies and staff members were sent to the prime and other contractors to study the dependency of these firms upon the jeweled watch companies.

Regarding research and development work, it was found that the jeweled watch industry as a whole participated relatively little in this Defense Department activity, though they are capable of doing more and appear to be proceeding in that direction.

III. MOBILIZATION REQUIREMENTS AND ANALYSIS

No effort has been spared in the task group's review of the data for this report. Mobilization requirements data were computed by the military departments and then carefully checked and rechecked by separate staff elements of the Assistant Secretary of Defense (Supply and Logistics) with staff of the military departments. The Assistant Secretary of Defense (Supply and Logistics) and key staff held a final review with technical experts of the military departments to insure that the data were accurate and the report factual. Mobilization requirements of timing devices for the ammunition program were computed from overall Department of Defense strategic guidance and were checked against similar requirements developed from departmental plans, to be certain that they were of the proper order of magnitude. Differences did not exceed 10 percent of the total requirements.

A. Jeweled movements

1. Manufacture: It is clear that the jeweled-watch industry affords some of the finest manufacturing facilities and technical abilities in the country for small, close tolerance work. The tool and die making facilities for small parts are perhaps unsurpassed. The fabrication of parts, together with technical knowledge of mechanical transmission of movement within precise and steady time limits and confined spaces, is the basis of their ability to manufacture jeweled movements.

2. Requirements: Enclosure 3 represents the Department of Defense combined Army, Navy, and Air Force mobilization requirements of jeweled movements, including watches, clocks, and chronometers. For the 3-year mobilization period, a total of 747,670 [1] jeweled movements are required. This figure contrasts sharply with peak 3-year World War II deliveries, when over 3 million jeweled movements in the form of watches, clocks, and chronometers were delivered to the military, excluding post exchanges and ships service stores. Three major policies of the armed services are responsible for the reduced requirement. First, issue rates to troops have been drastically reduced because of World War II experience of overprocurement and unnecessary issue of watches. Second, a nonjeweled watch has been developed by a nonjeweled watch manufacturer and accepted by the Army to replace the 7-jewel watch requirement (grade III) of about 1 million movements. Total production for the military of wrist watches and other jeweled movements in World War II may be noted in enclosure 7. Reference to the Department of the Army position on nonjeweled watches is noted in Army Ordnance Technical Committee actions of July 17, 1952, (OCM 34354). Obviously, there would be a corresponding substantial increased requirement for nonjeweled watches, the suppliers for which could include the four-jeweled watch producers. Third, one service has combined the elapsed-time and the standard clock into 1 time piece in order to conserve space on the instrument panel, thereby reducing the requirement sharply.

In the jeweled watch category alone, only 244,845 [2] are shown as required for the 3-year period. The jeweled watch requirements represent procurement by the Department of Defense for military needs only. It does not include watches nor chronometers purchased by military personnel at post exchanges and ships stores for personal use and gifts.

The Department of the Navy advises that it has sizable stocks of ships chronometers on hand. Since these chronometers are generally not consumed or replaced, but are in a revolving pool to which they are returned for overhaul and reissue, there is a lessened requirement for these items from new production.

B. Mechanical time fuses and rear fitting safety devices

1. Manufacture: The timing devices used in the ammunition program are produced by the jeweled watch manufacturers, nonjeweled watch and clock manufacturers, and others completely outside the horological group. There does not appear to be any part of the manufacture or assembly of mechanical time fuses that is peculiar only to the jeweled watch industry.

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[1] Further use of the nonjeweled watch may reduce this requirement by 79,391 movements.

[2] See footnote 1.

2. Requirements: [3]

NOTE.—In order that this report may be made available to the public, this classified paragraph has been revised and summarized as follows (February 28, 1955):

Over 51 percent of the mobilization requirements for all timing devices used in the ammunition program have been scheduled with industry under the production allocation planning program. Only 11 percent of the total mobilization requirement planned with industry is with the jeweled watch industry. Forty percent is with the balance of the horological group and the nonhorological firms. Many proven World War II producers of timing mechanisms have not been scheduled as yet.

C. Subcontracting within the jeweled watch industry

Subcontracting in the mechanical time-fuze programs (including the rear fitting safety devices) is of considerable magnitude at the present time, and in the event of mobilization would substantially increase. The order boards of the four domestic producers of jeweled watches were obtained and carefully reviewed for the period covering the outbreak of hostilities in Korea to mid 1953. The jeweled watch industry provided substantial amounts of defense related parts to approximately 100 contractors. Survey teams visited 27 of these plants to interview management on the degree of dependency of that company on the jeweled watch industry as a source of supply for its military end item production.

These survey reports indicate that there is no particular item or product which is not being made or procured outside of the jeweled watch industry. In most cases, the reasons given for purchasing parts or products from the jeweled watch manufacturers were that the watch companies represented an excellent and dependable existing source with favorable cost relationship. Many contractors indicated that they could produce the parts which they were procuring from the watch industry if necessary, but since the facilities of the watch manufacturers have been available to date, there has been no incentive to investigate or pursue the matter further.

If it were desirable to single out one item in the mechanical time fuze program for which the jeweled watch industry is most insistent that it qualifies as a single source producer, it would be the escapement spring used in most types of mechanical time fuze mechanisms. This spring is closely related to the hair and main springs used in watches. There is a certain amount of secrecy surrounding the production of the alloy used in the spring itself, together with the manufacturing processes employed in actually rolling and producing the part. However, sources outside the jeweled watch industry at the present time have produced this part. It may be generally stated that the balance of the components, including the pinions, gears, and plates, are readily within the production capabilities of most of the facilities engaged in clock or watch manufacturing and many instrument manufacturers. Sources such as Eastman Kodak, King-Seeley, or Eclipse Machine have consistently produced satisfactory mechanical time fuzes for the Department of Defense.

IV. CONCLUSIONS

While the jeweled watch facilities visited clearly represent excellent and desirable capacity, the needs of the Department of Defense for industrial capacity clearly demonstrate that no special nor preferential treatment for the industry is necessary. It is true that no other industry can show conclusively its ability to produce jeweled watches or chronometers, but these requirements to the Department of Defense are nominal. The Defense Department can, therefore, at this time, reasonably assume that sufficient capacity will remain and can be used for current procurement needs and be the basis for supplying the mobilization requirements. If in the future it should become apparent that sufficient capacity will not be maintained and available, the Defense Department can then procure all of its requirements of jeweled movements for the mobilization reserve.

From the list of planned producers and current production sources, it is apparent that manufacturers outside the jeweled watch industry, or even the horological group, are capable of producing the mechanical time fuses and rear fitting safety devices. Every part is being produced by some company other than a jeweled watch firm. Therefore, while the jeweled watch industry constitutes unusual ability, there is in no way a unique requirement for it in the fuse program.

The requirement for the timing mechanism in the event of mobilization is a large one. While other companies unquestionably can meet the demand, the jeweled watch industry could also be used if it were available during a period of mobilization.

WARREN WEBSTER, Jr.,
Director of Procurement and Production Policies.

(The original classified report, Office of the Assistant Secretary of Defense (Supply and Logistics) dated April 26, 1954, entitled "Department of Defense Report on the Essentiality of the Jeweled Watch Industry," is rescinded and will be destroyed in accordance with the security regulations of your department or agency.)

ENCLOSURE 2

COMPANIES VISITED BY DEFENSE TEAMS (IN ADDITION TO THE FOUR-JEWELED WATCH MANUFACTURERS)

Allied Control Co., Inc., New York, N. Y.
Aviation engineering division, Avien-Knickerbocker, Inc., Woodside, Long Island, N. Y.
The Liquidometer Corp., Long Island City, N. Y.
Sperry Gyroscope Co., division of the Sperry Corp., Great Neck, Long Island, N. Y.
Thomas A. Edison, Inc., West Orange, N. J.
Eclipse pioneer division, Bendix Aviation Corp., Teterboro, N. J.
Utica division, Bendix Aviation Corp., Utica, N. Y.
Eclipse machine division, Bendix Aviation Corp., Elmira, N. Y.
Eastman Kodak Co., Rochester, N. Y.
Friez instrument division, Bendix Aviation Corp., Baltimore 4, Md.
Frankford Arsenal, Philadelphia, Pa.
U. S. Time Corp., Waterbury, Conn.
The E. Ingraham Co., Bristol, Conn.
The Raytheon Manufacturing Co., Waltham, Mass.
Howard Clock Products, Inc., Waltham, Mass.
Farrington Manufacturing Co., Boston, Mass.
National Pneumatic Co., Inc., Boston, Mass.
Marine Compass Co., Pembroke, Mass.
Meter and instrument department, General Electric Co., Lynn, Mass.
Chelsea Clock Co., Chelsea, Mass.
The Gruen Watch Co., Cincinnati, Ohio.
King-Seeley Corp., Ann Arbor, Mich.
A. C. spark plug division, General Motors Corp., Flint, Mich.
F. L. Jacobs Co. (ASPPO), Detroit, Mich.
The Borg Corp., Delavan, Wis.
Minneapolis-Honeywell Regulator Co., Minneapolis, Minn.
Westclox division, General Time Instruments Corp., La Salle, Ill.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 22, 1955.

The Honorable DWIGHT D. EISENHOWER,
The President of the United States,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: On July 27, 1954, you authorized increases up to 50 percent on certain imported Swiss watch movements. You said at the time that you were taking this action because "preservation of the skills of the American jeweled watch industry is essential to the national security." You indicated that you would keep this situation under constant review.

This morning's press quotes a Defense Department study of the defense essentiality of the domestic watch industry completed in April 1954, as follows: "The needs of the Department of Defense for industrial capacity clearly demonstrates that no special nor preferential treatment for the industry is necessary."

In the light of this conclusion by the Department of Defense, and your stated intention of keeping the matter under constant review, do you contemplate in the near future the recission of your order increasing tariffs on Swiss watches?

I would greatly appreciate this information because the continued importation of Swiss watch movements is of vital interest to the tobacco farmers of my district.

Respectfully yours,
RICHARD E. LANKFORD,
Member of Congress.

PRELIMINARY INVESTIGATION OF WELFARE AND PENSION FUNDS

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. MCCONNELL] is recognized for 15 minutes.

Mr. MCCONNELL. Mr. Speaker, increased attention has been attracted to the problems of health, old age, and other phases of welfare. The social-security program, military and civil-service retirement and disability benefits, railway workers' unemployment and death benefits, and the Federal Employees Group Life Insurance Act, are examples where Federal legislation embraces a number of these problems. Various State and local governments have also established programs granting benefits to their employees. Also, a number of employers have voluntarily sponsored plans to afford life insurance, health, and retirement benefits to their workers. However, one of the most recent developments along these lines is the establishment of health, welfare, and pension plans through the process of collective bargaining between labor and management.

A growing demand for union-management health and welfare plans began during World War II, when restrictions were placed on wage increases by the Stabilization Act of 1942 and its accompanying regulations. The Director of Economic Stabilization in 1944, however, issued a regulation excluding premiums paid by an employer for no cash-surrender value group life insurance and group health and accident insurance covering his employees from the category of wages. Then in 1949, after the enactment of the Taft-Hartley Act, which permitted employers to pay into a jointly administered trust fund for the

[3] The figures in this section are related by percentages to the total number of timing mechanisms used in the ammunition program. The actual figures are included in enclosures 4, 5, and 6, but *not* here, so that this text can eventually be given to selected representatives of the industry.

benefit of his employees and their families, the decisions of the National Labor Relations Board, upheld by the courts, established that such plans are within the mandatory area of collective bargaining—being included in the terms "wages" and "conditions of employment." This was followed by permitting employer payments into employee health and welfare funds in lieu of wage increases under a ruling by the Wage Stabilization Board in its administration of wage controls during the Korean war. Therefore, beginning in 1951 more and more demands were made for payments into these funds until it is now estimated they constitute a total of between $17 and $18 billion.

For several years there has been considerable agitation for the regulation and supervision of these welfare and pension funds in order to assure the beneficiaries—the wage earners and their families—that the funds and the benefits will be available when they need them. Consequently, in November of 1953, a special subcommittee of the Committee on Education and Labor held hearings in Detroit, Mich., which disclosed the need for a thorough and complete investigation of the manner in which employee health, welfare, and pension programs are being handled. Then, in his legislative recommendations on labor-management relations on January 11, 1954, President Eisenhower expressed the need for such a survey. The President stated that the standards of existing law are not adequate to protect and conserve these funds and recommended that "Congress initiate a thorough study of welfare and pension funds covered by collective bargaining agreements, with a view of enacting such legislation as will protect and conserve these funds for the millions of working men and women who are the beneficiaries." On February 17, 1954, the Committee on Education and Labor authorized the appointment of a subcommittee to conduct a thorough study and investigation of welfare and pension funds.

Investigation to date leads to the belief that existing Federal and State laws do not adequately guard welfare and pension funds from abuses. For all practical purposes, statutory regulation or control does not exist. The Labor-Management Relations Act of 1947 merely requires that employees and employers be equally represented in the administration of specified benefit funds to which employers contribute. Federal tax statutes prescribe certain minimum standards which must be met in order that contributions to these funds may gain a tax-exempt status. State insurance laws, as now written, seem to have little, if any, effect on the welfare and pension picture. Other State statutes, in their present form, do not reach the abuses which this subcommittee has found. During the past year, the State of New York has authorized a periodic inspection of welfare and pension funds in that State. There has been insufficient experience to warrant any judgment of the effectiveness of such a law at the present time.

Although the subcommittee was authorized to examine both welfare and pension plans, the latter subject has not been dealt with extensively due to the lack of time needed for investigation. In fact, much work remains to be done in both areas.

Broadly speaking, the term "pension plans" can be applied to programs under which employees will be paid specified or determinable sums of money during their retirement years. The term "welfare" or "health and welfare" is ordinarily used to indicate that employees—and at times their dependents—are presently covered by any or all of such protections as accident and sickness payments, medical and surgical payments, hospitalization payments, burial-expense payments, and lump-sum payments to beneficiaries in case of death.

Methods vary in the management and financing of both welfare and pension programs under collective bargaining. Some are insured; others self-administered. Some are paid by employers; others by both employers and employees. In practically all cases to which the subcommittee has thus far directed its attention, we have found that, first, the employer makes the payments; and, second, such payments were negotiated in lieu of wages which would otherwise have been paid directly to each employee.

Needless to say, a majority of these welfare and pension plans are administered as they should be—as a sacred trust on behalf of the beneficiaries. However, information obtained and reported by our subcommittee indicates a wide range of questionable practices by union officials, employers, insurance companies, brokers, administrators, and trustees connected with health and welfare funds.

This obviously does not imply that every person in these categories is guilty of some wrongdoing. Neither does it suggest that these are the only places where wrongdoing prevails. But, having devoted a major effort to the study of health and welfare funds, it finds that the record points clearly to these notable abuses:

First. Employer lack of interest and fear to assert prerogatives, evidenced by failure to actively assume the duties of trusteeship, and in some instances abdicating responsibilities entirely;

Second. Some contributions negotiated by threats and violence; union domination of trustees' actions by reprisals or threats of reprisals against individual employer trustees;

Third. Irregular practices by some insurance companies, including high operating—retention—charges, high commission payments, loose and careless handling of funds to suit the whims of certain brokers and union officials who control the placement of the insurance, collusive advance opening of bids to secure an improper competitive advantage, and a tendency to charge whatever premium price it is possible to collect;

Fourth. Irregular conduct by insurance brokers and consultants, including collusive arrangements with insurance companies and union officials to obtain business; the charging of excessive fees, and the payment of so-called commissions to union officials in connection with the placement of insurance;

Fifth. Trustee conduct ranging from laxity to breach of faith, including a refusal to accept responsibility, and a failure to disclose personal dealings for profit in matters directly related to the trust funds;

Sixth. Squandering of assets by administrators of so-called self-administered—noninsured—funds, including payments to union officials;

Seventh. Discrimination against nonunion employees through the requirement that eligibility for benefits is invariably conditioned on being a union member in good standing.

EMPLOYER ATTITUDES

Our subcommittee investigation shows that employers have too often failed to meet their responsibilities in the establishment and management of health and welfare plans. Several factors contribute to this situation, including lack of interest in the whole matter, and at times a real fear that assertion of management views might bring quick retaliation in the form of strikes or other labor difficulties.

Typifying lack of interest was the comment of an employer who suggested that since welfare-fund payments were made in lieu of wages, the money thus became union money, and the union should be permitted to do what they want with the funds. The same witness also told the subcommittee that employers in his group agreed to joint trusteeship only under threat of a strike which would have shut down their whole industry.

Other employers apparently disregarded their own views, and felt obliged to confirm the union's choice of a full-time administrator for one welfare fund. To have done otherwise, it was testified, would have meant strikes, trouble with the unions, and possible recrimination. In one instance an employer reported that because of a strike and its attendant violence, he agreed to a welfare plan proposed by the union, to be administered by the union where no one would have anything to do with it, except the union. He said union officials would not permit him to furnish identical benefits for his own employees, even though his cost would have been less, and his employees—all members of the union—had approved his plan.

Some employers apparently felt it was not important to know how their fund was functioning, or whether their employees were being paid for claims. Another employer group completely ignored the law's directive, failed to appoint management trustees, and simply paid the full cost of the fund, leaving its administration entirely in union hands.

UNION ATTITUDES

Contributions to health and welfare funds are in most instances the direct result of collective bargaining. An employer and a union in negotiating, say, a 12-cent hourly increase, might agree to 7 cents an hour in extra take-home pay, with the other 5 cents an hour being paid directly into a jointly administered health and welfare program. Thus, we

find two leading claims illustrated: First, the assertion that the whole cost is paid by employers; and, second, the contention that it should be considered a union fund because it represents workers' wages. It is obvious that neither claim is fully justified. Perhaps a more accurate appraisal would suggest that a share in the fund belongs to each individual for whom a payment is made, and that the union and the employer have a joint duty to plan, invest, protect, and administer the fund carefully for the individual's best interest. That such is too often not the case is illustrated in this investigation to date.

There has been picketing and threats of violence used in an effort to exact payments from an employer whose workers were not eligible under the terms of the trust fund. The same tactics have been used to force employer contributions to a fund even though his own employees had voted against the plan. Where an employer group offered one plan, a union insisted on a different plan, and the negotiations resulted in criminal convictions in local courts.

In addition to evidence of negotiation by threats, fear, and actual violence, some union officers have conducted themselves as if the welfare of workers is something to be exploited for personal gain.

INSURANCE PRACTICES

The insurance industry has no reason to be proud of the performance of some of the companies whose activities have come under subcommittee scrutiny. In some companies we have found a marked tendency to get welfare fund business at any price.

In this quest for business, several patterns of conduct have emerged. One company evidently felt much of its business depended on the goodwill of a certain union official. This union officer was not a trustee and had no formal connection with the welfare fund which was insured by this company. However, testimony shows that he dominated all the trustees, and in fact controlled the fund. This was obviously an important consideration for the insurance company, because when it drew a $16,000 refund check payable to the trustees, it sent the check to this union official. When asked why this was done, a company official explained, "It just seemed like a convenient way to get it where we wanted it to be."

Another company not only charged a high retention fee, but also sought the favor of a broker who wielded much influence among important union officials. Through this broker, a welfare fund policy was negotiated, on which the company and the broker divided 37½ percent of the premium payments. This 37½ percent, called the retention rate, covered sales commission at 17½ percent and other company costs at 20 percent. This left 62½ percent of the premiums available to pay claims under the policy. However, this case enjoyed a good experience rating, and the claims of employees fell far below the 62½ percent. But did the company refund this unexpected saving to the policyholder? No, indeed. It split it with the broker, in what it called a retrospective commission arrangement.

Everything, of course, depended on getting the business, and this same company and its favorite influential broker were disposed to take no chances on competition from other insurance carriers. When welfare fund trustees sought bids on a proposed insurance program, this company had an ingenious approach. It did not submit its bid to the trustees as other carriers had done. Instead, one of the union trustees took the other bids to his home in advance of the regular time for opening all bids. A private meeting was held in this union trustee's home, at which the broker and an official of this company were present. The other bids were then prematurely opened and examined. Then, armed with the knowledge of its competition, this company filed its papers. It was, of course, the successful bidder, and a handsome profit followed at the expense of the employees for whose benefit the insurance premiums were supposedly paid.

BROKERS, AGENTS, CONSULTANTS

Nearly all the criticism directed at insurance companies can be applied with equal force to a number of brokers, agents, and so-called welfare-fund consultants. Wherever the subcommittee learned of a questionable practice by an insurance company, we invariably found a broker or sales agent or a consultant near the scene. It has also learned of the close tie between certain union officials and the same brokers and consultants. This condition is reflected in high fees, the payment of commissions to union officers, elimination of real competition among insurance carriers, and a resultant reduction in the amount of benefits available to employees under health and welfare programs.

TRUSTEE CONDUCT

Several references have been made above to actions indicating a lack of interest and a shirking of responsibility by employer trustees. This pattern, while not a universal habit, nevertheless has occurred so often it suggests that joint trusteeship over welfare funds does not in fact exist as Congress intended.

Subcommittee records also disclose instances where union trustees have failed to conform to the high ethical standards normally expected of those acting in a fiduciary capacity.

Two situations have been disclosed where union trustees failed to inform fellow trustees of financial dealings in matters directly related to funds under their trusteeship. In one such case a welfare fund invested a quarter million dollars in preferred stock of an insurance company. A second welfare fund was insured by this same insurance company. One union official had a controlling interest in the welfare fund which made the investment; he also served as a trustee on the second fund. He did not inform his cotrustees of the quarter-million-dollar investment, thus denying them the chance to judge for themselves whether his decisions in insurance matters might be influenced by his separate financial interest in that insurance company. In the second case the union trustee was president of his union and chairman of the joint board of trustees. The welfare funds were not insured in this situation, but were operated by an administrator who was paid by the trustees on a fee basis. This union trustee failed to inform his cotrustees that he was receiving money payments from the administrator. In return for these payments, he was supposedly using influence to bring more welfare funds under the management of this administrator.

ADMINISTRATORS

Many funds, insured and noninsured, use the services of administrators to handle their day-to-day operations such as the collection and banking of employer's contributions, the maintenance of necessary records, the investigation and payment of claims, and so forth. Some administrators are salaried and work for one fund on a full-time basis; others may work for one or several funds on a fee basis, and have other business interests at the same time. Some act as administrators, and also serve as insurance consultants and brokers.

Obviously, many administrators perform their duties in a skilled and efficient manner. However, this survey indicates a pattern of conduct among some administrators which ranges from incompetence to questionable business practices. In one case, the committee received testimony indicating that the administrators were handpicked by the union, and the employers either were allowed no voice or failed to assert any voice in their selection. Other testimony reflected that administrators have paid benefit claims on a wholesale basis with little or no evidence to determine whether any claimants were actually eligible under the terms of the trust agreement. In one fund claims were improperly paid to employers—who had no valid claim to eligibility—and in another fund a periodic audit showed that 40 percent of the claims were paid to ineligible individuals. In the latter case the trustees fired the auditor who uncovered and reported the improper payments.

The subcommittee has also examined funds where the administrator maintained records in such a manner that it was impossible to make a businesslike analysis of the operation of the funds involved. Testimony also showed money payments by an administrator to 2 union officials, 1 of whom served as chairman of the board of trustees for several welfare funds, the other having no official connection with any funds. These payments, which were charged by the administrator against his cost of doing business, were admittedly made to buy the influence of these two union officers.

DISCRIMINATION

The investigation to date indicates that union membership in good standing is invariably a prerequisite to eligibility for welfare-fund benefits. Our study has shown few exceptions to this condition. In many cases the insurance policies specify that all employees shall be eligible. But the trust agreement often defines an eligible employee as a union member in good standing. It was found

that the parties generally interpret such a trust provision to override the terms of the insurance policy. The result, of course, can deny benefits to a nonunion employee for whom welfare contributions were made in lieu of wages. There is, therefore, great compulsion to join a union and remain in good standing, even where a worker does not wish to do so, when his welfare and pension rights depend upon his union standing. Also important in the consideration of eligibility is the plight of the transient employee who is often faced with requirements which make it practically impossible for him to qualify for benefits, although payments to a fund are being made as part of his wages.

As I have pointed out, only a small segment of the vast field of health, welfare, and pension funds has been explored and much more remains to be done before any comprehensive conclusions regarding possible legislation can be reached. It is for that reason the subcommittee, of which I was chairman, was in unanimous accord in recommending that the Committee on Education and Labor continue this important study in the 84th Congress with a view to legislative action. The subcommittee has also suggested that the States take the initiative in determining the situation existing within their boundaries and in enacting legislation where it is needed; and the cooperation of the Governors and legislatures of the States is invited in suggesting Federal laws which might be enacted in addition to their State statutes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HÉBERT, for Thursday and Friday, March 24 and 25, on account of official committee (Armed Services) business.

Mr. COUDERT (at the request of Mr. ARENDS), on account of illness in the family.

Mr. DONOVAN, Mr. SELDEN, Mr. HAYS of Ohio, from March 28 to April 13, on account of official business.

Mr. DOYLE, for 4 days, beginning Monday, March 28, 1955, on account of official subcommittee public hearings of Subcommittee of House Un-American Activities Committee at Milwaukee, Wis.

Mr. HESS (at the request of Mr. HÉBERT), for Thursday and Friday, March 24 and 25, on account of official committee (Armed Services) business.

A HEARTENING EXAMPLE

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. MCCONNELL] is recognized.

Mr. MCCONNELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and insert an article by the Journal of American Medical Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. MCCONNELL. Mr. Speaker, it is a genuine personal pleasure to present a very fine example of cooperation between two groups who have joined together to advance the welfare of human beings. In an era of distrust and friction in many spheres of activity it is most heartening to observe a joint undertaking which has shown steady progress, better understanding and mutual respect.

Many families have tangible reasons to be thankful for the splendid spirit of these two cooperating organizations.

[From the American Medical Association Journal of December 11, 1954]

A HEARTENING EXAMPLE

The relationship between the medical profession and the United Mine Workers of America Welfare and Retirement Fund provides a heartening example of how labor and medicine, when each side is presented by medical leaders sincerely devoted to high standards and imbued with a desire for mutual understanding, can work together amicably and effectively in a program to improve medical care for workers. A striking spirit of good will and cooperation dominated the third conference on medical care in the bituminous coal mine area, held recently in Huntington, W. Va., and reported on page 1408 of this issue of The Journal. The atmosphere this year was in marked contrast to that of the first conference 2 years ago, when the air was charged with complaints, fears, and sharp disagreements.

The intervening 2 years have brought great improvement not only in liaison and mutual understanding but also in medical facilities and the quality of medical service. At Huntington, where the delegates voted unanimously to meet again next year, the concensus was that the annual conferences sponsored by the American Medical Association have helped to widen the areas of agreement, narrow the areas of disagreement, and clear the air of antagonisms and distrust. The key to this progress probably is the fact that the United Mine Workers' medical program has been directed by outstanding physicians with a respect for the traditions of American medicine. Dr. John D. Winebrenner, of Knoxville, Tenn., an area medical administrator for the UMWA, expressed it this way in his report at the Huntington conference: "Five years ago a great labor union placed its confidence in the medical profession to inaugurate a program of medical care that has been an innovation to organized medicine in the coal bearing regions as well as on a State and national level. Experimentation has been necessary, but at no time has it been questioned that it was a professional responsibility to blueprint and develop the program. During this time the professional relations have been governed by professional hands. The successes and failures have been, at least, joint responsibilities of the fund medical officers and the participating profession."

Another pertinent comment on this relationship was made during a recent radio interview by Dr. Warren F. Draper, of Washington, D. C., executive medical officer of the UMWA welfare and retirement fund. Answering the question, "How does the American Medical Association react to your program?" Dr. Draper replied: "The American Medical Association, through its national and constituent bodies, and liaison committees created for the purpose, has provided invaluable assistance. I know of no other agency that would be in a position to appoint a survey team of competent neutral observers to go into some of the coal mining areas, explain their purpose to the presidents and other officers of the State and local medical societies, and in company with them visit the problem areas and obtain first-hand knowledge of the conditions of medical practice and the steps and measures necessary to bring about improvements. I know of no other agency that would then arrange a conference in the heart of a coal mining area, comprised of representatives of the State and local medical societies concerned, the medical administrators of the UMWA welfare and retirement fund, the State commissioners of health and deans of the State university medical colleges, for joint consideration of these problems and the working out of a course of action upon which all could agree, to be put into effect at each appropriate level."

The text of that radio statement was sent to the AMA council on medical service in a letter that Dr. Draper concluded by saying: "When I read in the papers and elsewhere some of the things that various labor people, the American Legion and the like are saying about the American Medical Association, it seems to me that our position and relationship are rather unique and possibly you might like to tell the world how we feel about it."

The American Medical Association is more than happy to tell the world about it, for the story reflects credit on all concerned. Labor leaders, labor union medical administrators, and physicians everywhere can learn valuable lessons from the way in which organized medicine and the United Mine Workers have sat down together to iron out a host of difficult problems.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FORAND.

Mr. FLOOD and to include extraneous matter.

Mr. ZELENKO and include remarks on Greek Independence Day.

Mr. YOUNG and include extraneous matter.

Mr. HILL and to include two editorials.

Mr. MULTER.

Mr. FERNANDEZ and to include extraneous material.

Mr. HOLTZMAN.

Mr. VAN ZANDT (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. GARMATZ (at the request of Mr. MCCORMACK) in nine instances and to include extraneous matter.

Mr. HERLONG.

Mr. BROWNSON and to include extraneous matter.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until Monday, March 28, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

598. A letter from the Assistant Comptroller General of the United States, transmitting a report on the audit of Export-Import Bank of Washington for the fiscal year ended June 30, 1954, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 116); to the Committee on Government Operations and ordered to be printed.

599. A letter from the Assistant Secretary of the Navy (Financial Management), transmitting a draft of proposed legislation

entitled "A bill to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VORYS: Committee on Foreign Affairs. Report pursuant to rule XI of the Rules of the House pertaining to a report of the survey mission to the Far East, South Asia and the Middle East (Rept. No. 295). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 296. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5089. A bill to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, to authorize assistance in acquiring automobiles or other conveyances to certain disabled persons who have not been separated from the active service, and for other purposes; without amendment (Rept. No. 297). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5100. A bill to amend Veterans Regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care; with amendment (Rept. No. 298). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5106. A bill to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing; without amendment (Rept. No. 299). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5177. A bill to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.; without amendment (Rept. No. 300). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 735. A bill to increase the rate of special pension payable to certain persons awarded the Medal of Honor; with amendment (Rept. No. 301). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 4221. A bill to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions; with amendment (Rept. No. 302). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 5203. A bill to provide for the disposition of Camp Pickett, Va.; to the Committee on Armed Services.

By Mr. ASHLEY:

H. R. 5204. A bill relating to withholding on the compensation of Federal employees for purposes of the income taxes imposed by certain incorporated political subdivisions of States and Territories; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 5205. A bill to extend to uniformed members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 5206. A bill to authorize the Secretary of the Treasury to prescribe regulations relating to qualifications of persons who assist taxpayers in the determination of their Federal tax liabilities, and for other purposes; to the Committee on Ways and Means.

By Mr. HILL:

H. R. 5207. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. JOHNSON of California:

H. R. 5208. A bill to authorize donations of surplus agricultural commodities to penal institutions where such donations will directly reduce expenditures from public funds; to the Committee on Agriculture.

By Mr. JONES of Alabama:

H. R. 5209. A bill to amend the Servicemen's Readjustment Act of 1944, so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing; to the Committee on Veterans' Affairs.

By Mr. KEARNS:

H. R. 5210. A bill to amend the Internal Revenue Code of 1954 so as to promote diversified ownership of domestic corporations by encouraging small investors to buy stock and reinvest their dividends; to the Committee on Ways and Means.

H. R. 5211. A bill to exempt from Federal income tax dividends paid by regulated investment companies whose income is derived entirely from tax-exempt Government obligations; to the Committee on Ways and Means.

H. R. 5212. A bill to encourage investment in school bonds and other tax-exempt Government obligations by authorizing Federal Reserve member banks to deal in securities of regulated investment companies which invest solely in such obligations; to the Committee on Banking and Currency.

By Mr. KEOGH:

H. R. 5213. A bill to amend the act of October 15, 1914, commonly known as the Robinson-Patman Act, to make it applicable to sales of commodities made to governmental agencies for resale; to the Committee on the Judiciary.

By Mr. KRUEGER:

H. R. 5214. A bill to provide for the reconveyance of oil and gas interests in a portion of the lands, including Indian tribal lands, acquired for the Garrison Dam and Reservoir project to the former owners thereof, and for other purposes; to the Committee on Public Works.

By Mr. LATHAM:

H. R. 5215. A bill to increase from $1,200 to $2,000 the amount which may be taken into account in computing the retirement income credit under section 37 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. REUSS:

H. R. 5216. A bill to amend part VIII of Veterans Regulation No. 1 (a) to extend by 2 years the period within which education and training may be furnished under such part to certain veterans; to the Committee on Veterans' Affairs.

By Mr. TEAGUE of Texas:

H. R. 5217. A bill to provide for the promotion and elimination of women officers of the Naval and Marine Corps Reserve on the same basis as male officers of the Naval and Marine Corps Reserve; to the Committee on Armed Services.

By Mr. ZELENKO:

H. R. 5218. A bill to amend the Railroad Retirement Act of 1937 to provide that an individual with 30 years of service may retire regardless of age, and that any other insured individual may retire at age 60; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDONIZIO:

H. R. 5219. A bill to repeal title III of the Defense Production Act Amendments of 1952; to the Committee on Banking and Currency.

By Mr. BLATNIK:

H. R. 5220. A bill to amend the joint resolution of May 17, 1938, to provide for the construction and maintenance of a National Collection of Fine Arts Museum on the site set aside for an art gallery thereunder, and for other purposes; to the Committee on Public Works.

H. R. 5221. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 5222. A bill to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARTHY:

H. R. 5223. A bill to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 5224. A bill to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel; to the Committee on Merchant Marine and Fisheries.

By Mr. McGREGOR:

H. R. 5225. A bill providing for the extension of rural delivery mail service; to the Committee on Post Office and Civil Service.

By Mr. MACK of Washington:

H. R. 5226. A bill to increase, in the case of children who are attending school, from 18 to 21 years the age until which child's insurance benefits may be received under title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H. J. Res. 262. Joint resolution to designate Mrs. Neva Keebaugh as America's GI Mother; to the Committee on Veterans' Affairs.

By Mr. MORANO:

H. Con. Res. 100. Concurrent resolution requesting the United States mission to the United Nations to take all possible steps expeditiously to bring about consideration by the United Nations of the question of self-determination of the population of Cyprus; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. Con. Res. 101. Concurrent resolution authorizing the Joint Committee on Printing to arrange for the preparation and printing of a consolidated index of the CONGRESSIONAL RECORD covering the 59th and subsequent Congresses; to the Committee on House Administration.

By Mr. ROGERS of Florida:

H. Res 194. Resolution to amend the Rules of the House of Representatives, so as to permit two or more Members to introduce jointly any public bill, memorial, or resolution; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. YOUNG: Joint resolution of the Nevada Assembly memorializing the United

States Post Office Department and the General Services Administration to allow the placement of the historical V. & T. Railroad engine and mailcar on the premises of the post office building in Carson City; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BERRY:

H. R. 5227. A bill authorizing the issuance of a patent in fee to Nellie V. Compton (nee Not Stampeded); to the Committee on Interior and Insular Affairs.

By Mr. GRANAHAN:

H. R. 5228. A bill for the relief of Mrs. Catherine I. Goughan; to the Committee on the Judiciary.

By Mr. HESELTON:

H. R. 5229. A bill for the relief of Rosa Mazzolini; to the Committee on the Judiciary.

By Mr. KEAN:

H. R. 5230. A bill for the relief of Mrs. Betty Barad Strul and Anna Strul; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 5231. A bill for the relief of Carmen Cruz-Sexton; to the Committee on the Judiciary.

By Mr. MACK of Washington:

H. R. 5232. A bill for the relief of Iva Druzianich (Iva Druzianic); to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 5233. A bill for relief of Lurline Jackson and Mrs. Mable D. Minott; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 5234. A bill for the relief of Raymond D. Beckner and Lula Stanley Beckner; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 5235. A bill for the relief of Mrs. Johanna Maier Rose; to the Committee on the Judiciary.

By Mr. SCRIVNER:

H. R. 5236. A bill for the relief of Vilma Ramuscak; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 5237. A bill for the relief of Mrs. Ella Madden; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 5238. A bill for the relief of Arturo Ruiz Calderon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

175. The SPEAKER presented a petition of the secretariat, the National Association of Attorneys General, Chicago, Ill., petitioning consideration of their resolution with reference to tax immunity, adopted at the 48th annual meeting of the National Association of Attorneys General, which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Stop Driving Our Best Soldiers Out of Service

EXTENSION OF REMARKS
OF

HON. CLIFTON (CLIFF) YOUNG

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. YOUNG. Mr. Speaker, it was recently my good fortune, although perhaps not entirely my pleasure, to spend some time at the Naval Medical Center at Bethesda, Md. During my confinement there, I was impressed with the quality of medical care and overall excellence of this outstanding institution. It reflects favorably on the men in charge and is a credit to our naval forces.

While such care is partly the result of fine facilities, it also depends upon the skill and training of the personnel involved. Evidence of these qualities, I might say, was manifest at all levels—doctors, nurses, and corpsmen. As I observed some of the more highly trained experts performing their duties, several questions came to mind. What are the attractions of military service for such well-trained men who could obviously receive more remuneration in a civilian status? Are we losing the services of such men at a dangerous rate? What needs to be done, if anything, to improve their position and insure a sufficient number of such personnel in the future?

Upon several occasions I talked with some of these men to determine their attitudes on a military career. It was pointed out to me that already some of the highly trained medical personnel have left the service and that others are dissatisfied with their present status and military hopes for the future. While the dissatisfaction results in part from the pay differential, this is not the entire story.

During my study of this problem, I encountered an article by Col. Oliver G. Haywood, Jr., which appeared in This Week magazine on March 28, 1954. This article very forcefully presents reasons why some of our best soldiers are leaving the services. With world conditions so unsettled, the need of highly trained personnel in the armed services, not only in our medical centers but in other units, is extremely important. While the House of Representatives has recently taken steps to raise the pay of military personnel, there are other aspects of this problem which merit attention. I commend this stimulating article to those who are interested in maintaining the strength and efficiency of our national security program.

STOP DRIVING OUR BEST SOLDIERS OUT OF SERVICE

(By Col. Oliver G. Haywood, Jr.)

I have recently resigned my commission in the United States Air Force because I believe this Nation is imposing conditions of second-class citizenship on its professional military force.

My resignation was not prompted by any feeling of personal hardship. It was one individual's protest against policies which I consider a threat to the safety of every American. Now that my lips are no longer sealed by military regulations, I am free to speak of these policies of expediency, indifference, and discriminatory legislation which are making military careers less and less attractive when our Nation most needs top-caliber leadership.

It is my deep conviction that if present trends continue our country will enter any future conflict with a second-class Army, Navy, and Air Force, regardless of how many billions we pour into defense. And may God protect the Nation. The Armed Forces will not be able to.

My resignation from the military—an act by which I chose to forfeit all retirement pay and other benefits—follows 22 years of service. It was a hard decision, for my military service has been interesting and varied. I graduated from West Point in 1936. I have known the life of a line officer, having served as a company and battalion commander. I have soldiered in places as far apart as Germany and Bikini. In the scientific line, I have had tours of duty working on atomic-energy problems at the Los Alamos Laboratories and in the Manhattan engineer project.

I resigned not because I was personally dissatisfied but, as I wrote in my letter of resignation, because, "As a senior officer I must impose on able and patriotic subordinates conditions of second-class citizenship. * * * The degradation of military status must lead to a decline in the quality of our Military Establishment."

SERVICE CAREERS FALLING OFF

I believe that to remain in such a career merely helps to conceal a condition more dangerous to the future security of our Nation than any number of Russian bombs. This is the declining attractiveness of the military career—a situation which is causing trained officers and men to leave the service and forcing young men to refuse service careers.

I intend to document here some ways in which this Nation has whittled away at military careers. But I'd like to emphasize that no single example is in itself decisive. Each example is important only as a development in a general trend. Soldiers are aware that as times change certain traditional advantages may be taken away.

But if the services are to represent careers that will attract and hold capable young men instead of mediocrities, the loss of certain benefits should be compensated by the creation of some new ones. The last 20 years have certainly seen a substantial increase in the standard of living of the civilian population. But for the military—and this is provable statistically or any way you want—the last two decades have seen all the major advantages of military service reduced or eliminated.

Let's take the question of retirements. It is a good example of the way Congress has repeatedly welshed on its agreements with the military. When I came into the service, one of the advantages of a military career was the promise that officers could retire with a pension after 30 years' service, enlisted men after 20. Recently Congress began a series of changes in retirement regulations that were so bewildering that it has become impossible to plan for the future.

For instance, Congress decided 2 years ago that no officer could draw retirement pay even after 30 years' service unless he had also reached his 60th birthday. Under this provision a man like Gen. Lucius D. Clay, former military governor of Germany who retired at 52 years of age, would have left the service without benefit of pension.

There were a number of exceptions to this ruling. One exception provided that a 30-year man could retire with full pay even if

he was still under 60 years of age—providing he had proved himself an incompetent officer. In other words, if an officer does his work poorly enough to be judged incompetent he receives retirement pay for life. It is only those who do their work well who are released with nothing.

NO CHOICE

In my letter of resignation I observed that loyalty should go down as well as up, and it's an important principle to me. The soldier has no choice but to live up to his end of the contract with Uncle Sam. Why should Uncle Sam be entitled to break his promises once the soldier is committed to a military career?

In civilian life, a man can quit or go to court if his boss violates his contract. In the military there have been periods when you couldn't even resign your commission. My own resignation was in process exactly 1 year. At the time I submitted it, military authorities were not accepting resignations of regular officers except in hardship cases. After many months and a change of policy my resignation was accepted. But I know several officers whose resignations have been summarily rejected. For these men military life has become involuntary servitude of indefinite duration.

Congress has over past years been making frequent assaults on so-called fringe benefits—commissaries, post exchanges, dependent medical care, etc.—which in effect formed part of military pay. Because military pay has always been low in comparison with civilian salaries the Nation traditionally has tried to bridge part of the difference by providing essentials such as staple foods, drugs, etc., at virtually cost prices.

ITS OWN COMMUNITY

Also, because soldiers are frequently transferred from area to area—and this is particularly true of combat pilots in such vital duties as the Strategic Air Command—officers and men rarely have opportunity to adjust to the community around them. In fact communities have been known to be mighty hostile to a sudden influx of military personnel. So the military tries to create on its military posts its own community—its own clubs, doctors, food stores, theaters, etc.

Let's take the fate of the commissaries—food stores which primarily benefit married enlisted men. Yielding to lobbying by retail-store associations, Congress passed legislation intended to close down the majority of these stores. By so yielding to the pressure of the retailers the Congress made plain its willingness to aid civilian merchants at the expense of individuals in the military service.

Since I entered the service, this congressional attitude has taken many forms. The post exchanges—which have always been operated without expense to the taxpayer—have become of little value because outside pressure has reduced the variety and quantity of goods available. In line with this trend the quality of military housing has declined; retired pay for the physically handicapped has been reduced; recreational and social facilities on military bases have been curtailed, and dependent medical care has been made uncertain.

The impact of all of this is clearer if you look closely at military salaries. A second lieutenant graduating from West Point receives $338.58 a month, including all allowances. This is a little more than base pay of an able-bodied deckhand. An Air Force captain with 8 years' experience, including Korea jets, draws $593.25 a month. An airline pilot with 8 years' seniority averages over $1,000.

The take-home pay of an Air Force major general is less, dollar for dollar, than it was 30 years ago. Let me repeat, in dollars—with no adjustment for the way dollars have shrunk to a fraction of their former value. Income taxes and lowering of flight pay have taken away far more of the general's salary than has been provided by infrequent pay raises.

In fact, if you adjust for the cost-of-living index, the modern-day Air Force general has less than a third of the purchasing power possessed by his counterpart of 30 years ago. And he has no expense account. Is such a statement true for the top leadership of any other profession?

ARBITRARY CHANGES

There is an interesting test of congressional attitude when you compare Uncle Sam's treatment of his soldier employee and civilian employee. Concerning the very vital matter of pay, civil-service employees back in 1951 were granted a 10-percent increase, with retroactive features. A year later Congress gave the military an increase averaging 5 percent and with no retroactive provisions. Thus the benefits granted the civilians averaged just about double those granted the men in uniform.

Sudden arbitrary changes in regulations can hurt officers and their families in ways that would probably surprise civilians not accustomed to the hazards of a profession which as part of its duty must move long distances from post to post. (In my 17 years as an officer my family moved 11 times.) Consider the impact of the recent ruling reducing from 12,000 to 9,000 pounds the amount of household furniture a senior officer and his family could transport at Government expense. Nine thousand pounds constitutes 4 rooms of furniture, and not even that if you include a refrigerator, a home freezer, or a piano.

Look what happened to the military personnel in Japan who were on duty in 1950, the year the war in Korea exploded. All the families had traveled to the Orient under the old regulations permitting the transfer of 12,000 pounds of furniture. Then in 1952, when many of the officers were fighting for their lives and ours in Korea, the weight allowances were arbitrarily reduced. On transfer back to the United States these officers had to sell their excess goods locally or bring them back at their own expense, in either case at a substantial loss.

This business of always getting the short end of the stick is probably most irritating when it results from the indifference of your own military leadership or of the Defense Department. I am thinking of an incident in my last 2 years of service when I was Chief of the Air Force Office of Scientific Research.

MATTER OF POLICY

I selected three young officers to go to Belgium for some scientific work. There was transport available to take their families, and housing was available at their destination. But my requests for orders for their families were denied. Now it is my firm belief that individuals are entitled to dignified and considerate treatment, even though they are in the uniform of their country. I, like many others in the service, like to assist my wife in the complicated business of breaking up one home and moving to the next. So I offered to delay the orders of the three officers until their families could go with them. But the Pentagon said it was a matter of policy that families could not travel as units. The husband went first and the family followed after—often long after. Why? We could never figure it out. For in the same period State Department and other Government officials were having no difficulty traveling to overseas posts with their families.

Because of prolonged overseas assignments without families, the divorce rate in the Strategic Air Command recently shot up to a record of 1 breakup in every 3 marriages. Surely there is enough separation of military families in war and cold war without inflicting it on them unnecessarily and in peacetime.

I hope that in outlining some of the grievances of the military I have not sounded petulant or one-sided. I certainly have no personal axe to grind, as I could not go back into the regular service even if I wanted to. But it is my belief that the justified problems of a military career have not been clearly placed before the American public, and that this is one reason the grievances remain. What it all comes down to is this: a profession either attracts competent people by offering a respected and worthwhile life or an attractive salary, or the promise of great reward to the successful few who reach the top. Today the military offers none of these advantages.

ARMY OF EXPERTS

Just what is the role of the professional soldier? As distinguished from the man who obtains a commission during an emergency or for a specific assignment, the professional or regular military man devotes the prime of his life and skill to preparing for the day of crisis. Today the breadth of knowledge these professionals must possess is unprecedented. They must be experts in science, management, procurement, public relations, budget, atomic energy jet engines, psychological warfare, etc.

As we learned during the occupation of both Germany and Japan, today's officers must know not only military strategy but must understand economics, the structure of government, and political theory. Remember that one of our greatest soldiers, Gen. George S. Patton, was relieved of his command in Germany not because of a military blunder but because in a thoughtless moment he commented that, "This Nazi thing—it's just like a Democratic-Republican election fight." General Patton stubbed his toe on political theory.

The importance of America's corps of regulars was pointed up in World War II. In that era just over 11,000 Regular Army officers developed a ground force that successfully fought the Germans and the Japanese on many fronts. This small nucleus of professionals trained, administered, supplied, and deployed a mammoth army that eventually totaled 930,000 officers and 12 million men.

Although public ignorance and national apathy are partly responsible for the state of affairs in the professional Military Establishment, Congress obviously cannot escape a large share of the blame. The open hostility of Congress to the regular-officer personnel has been expressed in speeches, press releases and in legislation such as I have described. There have been many instances when discriminatory legislation was voted into law without reference to the congressional committee that the Congress itself had set up for the purpose. Congressional hostility in itself would have been enough to make me desire to leave the service.

Although the congressional speechmakers invariably mention the so-called "brass"—that is, the generals and the admirals—much of the discriminatory legislation hits hardest at the young officers and enlisted men. A rider in the 1952 appropriations bill was announced to the press and public as slowing down the promotions of the "military brass."

BLAMED THE PENTAGON

The rider was so ill-conceived and poorly worded as to have little effect on senior officers, but it made a drastic impact on promotion opportunities of young officers. Several thousand Navy lieutenants would have had to be demoted if the next session of Congress had not taken prompt action to correct the more glaring errors in the original wording. But the Congressman who authored this "rider" was not at all embarrassed by his error. He blamed the Pentagon. He felt the Pentagon should have told him how to word his rider so that it would hurt only the "brass," as he had intended.

Now, as this Nation faces new crises, what are the overall effects of a policy of constantly whittling away at the military profession?

Here are some statistics that help to tell the tale.

Resignations of cadets at West Point reached 109 in 1952 and 95 in 1953, with many youngsters frankly stating that they were leaving because of better career opportunities in civilian life.

The Air Force is having difficulty retaining its skilled technicians. These airmen, who are expensively trained and invaluable in the jet age, are turning down offers of reenlistment at the rate of 200,000 a year.

Another spectacular example of young Americans' attitudes toward professional military careers is afforded by the Navy's Holloway plan. Under the plan the Navy provides financial assistance and naval training to selected college students in return for the pledge by these students to serve for 2 years after graduation, as Reserve officers. After the 2 years of Reserve training are over, the students are offered commissions in the Regular Navy. A year ago the first group of 800 Holloway plan officers completed their required 2 years. Nearly 90 percent rejected careers as Regular officers in the Navy.

The question before Congress and the people, as I see it, is whether this is the time to subtract additional prerogatives and prestige from the Regular Military Establishments, or whether the time has come to make military careers more attractive than ever.

Can we risk the kind of Military Establishment that for want of better must take in a large proportion of mediocrities?

Does America want its military leadership of tomorrow to come from the bargain basement?

The 134th Anniversary of Greek Independence

EXTENSION OF REMARKS
OF
HON. PAT McNAMARA
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Thursday, March 24, 1955

Mr. McNAMARA. Mr. President, I ask unanimous consent that a statement prepared by me on the 134th anniversary of Greek independence be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MCNAMARA

Tomorrow will be the 134th anniversary of Greek independence. It was on March 25, 1821, that the Greek people began their struggle for freedom in the modern world. As His Excellency, the Ambassador of Greece to the United States, George V. Melas, said just a few days ago, "The 25th of March could readily be compared with that other great date in history, the Fourth of July. For similar ideals, that same craving for liberty, that same yearning for independence, that same determined love of democratic institutions have been the bases of the erection of both countries, America and Greece, into independent states."

The contributions Greece has made to the pattern of western civilization cannot be overestimated. Plato and Aristotle in the world of philosophy, Homer and Sophocles in the realm of literature, Phidias in the field of architecture, Euclid in science and Pericles in the field of statecraft are only a few of the examples of Hellenic influence on our history.

As the Greek people fought against tyranny in the 19th century, so too in this country, they battled courageously against Communist attacks in Korea. As an American I am proud that our country, at the initiative of President Truman in 1947, sent military and economic aid to help the Greeks in their struggle to recover liberty for themselves. I am glad to recognize Greece as our staunch ally in the Mediterranean region and as a member of NATO.

Here in the United States, Americans of Greek birth and blood have continued their heritage of leadership and have enriched our Nation by their activities both as individual citizens and through their great fraternal organization, the Order of Ahepa.

I am sure that we are all glad to join the valiant Greek nation and people of Hellenic origin everywhere in the celebration of Greek Independence Day.

More Shipbuilding on West Coast

EXTENSION OF REMARKS
OF
HON. ALAN BIBLE
OF NEVADA
IN THE SENATE OF THE UNITED STATES
Thursday, March 24, 1955

Mr. BIBLE. Mr. President, on March 22, the Senator from Washington [Mr. MAGNUSON], chairman of the Senate Interstate and Foreign Commerce Committee, delivered a very informative and factual address to the Western States Council at San Francisco, Calif. I ask unanimous consent to have a report on this address, which appeared in the New York Times, March 23, 1955, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORE SHIPBUILDING ON WEST COAST IS PREDICTED BY A SENATE LEADER—MAGNUSON TELLS 11-STATE COUNCIL HE IS "VERY HOPEFUL" THE ADMINISTRATION WILL REVISE POLICY NOW FAVORING THE EAST

(By Lawrence E. Davies)

SAN FRANCISCO, March 22.—Senator WARREN G. MAGNUSON, Democrat, of Washington, predicted today a brighter era for west coast shipbuilding.

The chairman of the Senate Interstate and Foreign Commerce Committee told the Western States Council he was "very hopeful" the Administration would revise its present policy and give the West greater opportunities.

This would be done, he said, by allocation of a specific number of vessels in any Government-financed shipbuilding program to the Pacific Coast, to be bid upon by West Coast yards.

"At present," he asserted, "we are penalized 15 to 16 percent of the cost of ships, in bidding against East Coast yards, because of labor and materials prices."

Senator MAGNUSON forecast the construction on this coast of 3 to 4 big new tankers. They would be part of a program of 10 to 12 tankers soon to be authorized by the Federal Maritime Board, he said. They would be built for private operators, with the Government insuring up to 100 percent of 87½ percent of the cost and retaining the right to buy them back in 10 years.

His committee, the Senator announced, would report out tomorrow or Thursday, bills to provide:

That the Civil Aeronautics Board give permanent certification to feeder air lines, most of them west of the Mississippi River. Thirteen of them, he said, now are operating under three-year permits, giving them no opportunity for permanent planning.

That the Civil Aeronautics Board have jurisdiction over what airlines will fly to United States Territories. This would deprive the President of the right of veto over Board decisions in this respect.

EASING OF PROBLEMS SEEN

Senator MAGNUSON said the White House welcomed this prospective legislation because of the headaches it would save President Eisenhower. Pressures were tremendous, he indicated, prior to recent issuance of Presidential directives as to what lines should fly to Hawaii and Alaska. Actually, the present law was not intended to give the President the right to say what lines should operate to our Territories, but only to foreign countries, he said.

The Senator defended subsidies, both for steamship and airlines. Total subsidies to the whole American merchant marine this year, including some back obligations, did not exceed $60 million. He said, adding: "That literally is less than the subsidy we pay for peanuts."

He told the council members, who include executives of State, county, and local chambers of commerce of the 11 Western States, that unpublished census figures he had just seen in Washington gave these estimates:

A present population of 23,400,000 for the Western States, compared with 19,600,000 in 1950. This 19 percent increase is more than double the national growth rate.

A population in 1960 of 30 million, or a gain of more than 28 percent in the next 5 years. This would be double the estimated national rate of growth, he said.

TRANSPORT CRISIS CITED

"The East is in a deep freeze on transportation problems," Mr. MAGNUSON declared. "We can't afford to let that happen to us, with these great problems we face accompanying enormous population gains. We ought to have a political-economic revolt on questions affecting us in a nonpartisan way."

The council adopted resolutions reiterating its positions on shipbuilding, mining, air transportation and other matters after hearing testimony on these subjects.

Greek Independence Day

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. FORAND. Mr. Speaker, I am happy to join with my colleagues to once again, on Greek Independence Day, pay a tribute to a gallant people.

Tomorrow, March 25, is the 134th anniversary of Greek independence. The great Hellenic culture has had a profound and lasting effect on the freedom-loving nations of the Western World. The Greeks, as did the Americans, fought hard and long for their independence, and they are ready and willing to fight just as hard and long to retain it. We Americans are proud to have the Greek Nation as a true and stanch ally in the continuing struggle for freedom for all peace-loving people throughout the world.

The history of the valiant Greek Nation reveals that its life has not been

any easy one. Greece maintained its freedom from foreign domination from 1827 to 1941, and the world will not soon forget the heroic struggles of the Greek people against fascism, and how they overcame great odds in driving back Mussolini's army in 1940. When the Nazis joined the fray, however, the Greek Nation was overwhelmed, its people subjugated, its earth scorched, and its economic resources systematically destroyed by Hitler's hordes.

The Greek Nation was once again liberated, through the assistance of the British in 1944, but over 400,000 Greeks died of starvation during the period of this ruthless occupation.

After World War II, liberated Greece found its chief ports in ruins, three-fourths of its merchant fleet destroyed, the vital Corinth Canal blocked by mines, major rail lines torn up, and with more than 1,500 villages and towns destroyed. Thousands of people were homeless, and living standards reached an almost impossible low level.

It was in this moment of Greek national weakness that the Communists struck. Unable to win a strong voice in the Greek Government, the Reds formed guerrilla bands, to terrorize the villagers and to prevent them from carrying on their essential task of rehabilitation. This Communist move was intended to deal a death blow to the war-torn economy of Greece and to force the country to accept its orders from the Kremlin.

Early in March of 1947 the Greek Government appealed to the United States for assistance. With a great example of courage and foresight, and in full recognition of not only the humanitarian needs of the Greek people, but also of the danger of international communism to the security of the free world, and to the United States, President Truman responded boldly, with the initiation of what is now known as the Truman Doctrine for Greece and Turkey.

The President then secured from Congress his initial request for $300 million which went into guns and equipment for the Greek army, as well as foodstuffs and other necessities for the population, and the Greek people were again on the way to the establishment of decency and freedom.

Aided by an American military mission, a revitalized Greek army defeated the Communists and established peace and order in October of 1949. Continued United States aid has helped rebuild Greece's economy and has enabled the Greek people to strengthen their army against another Communist attempt to seize power.

It is also significant that the Greeks, having defeated the Communists at home, had a military unit fighting with other United Nations forces in Korea.

Greece and the United States share defense responsibilities as NATO partners. With some 200,000 men under arms, Greece has a larger percentage of its population in active military service than any other European NATO nation, and this force, we are told, can be doubled on short notice.

Today Greece stands as a fortress of freedom in the Mediterranean. She is of great importance, strategically and geographically, to our own national defense and security. She is a true and staunch ally, and the investments of the United States in this cradle of western civilization were wise and judicious. Our firm stand and financial assistance to Greece has resulted in uniting Greece, not only internally but also with other freedom loving countries in their stand against aggressor forces.

Here, in our own country, the Greek-American community has made a great contribution to our culture, to our economy, and to our democratic spirit. We owe a great debt to the Greek mind and to the Greek spirit.

On this 134th anniversary of the independence of Greece, we join in its celebration and hope that this anniversary will always be celebrated in peace and freedom.

Comments by Hon. John J. Dempsey, of New Mexico

EXTENSION OF REMARKS
OF
HON. ANTONIO M. FERNANDEZ
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. FERNANDEZ. Mr. Speaker, by unanimous consent, I insert in the CONGRESSIONAL RECORD comments of my colleague, the Honorable JOHN J. DEMPSEY, in his weekly newsletter for release to the press tomorrow on the subject of the Yalta documents:

NEWS AND VIEWS FROM YOUR NATION'S CAPITOL
(By JOHN J. DEMPSEY, Congressman from New Mexico)

WASHINGTON, March 24.—Nearly three centuries ago one William Shakespeare provided the most fitting title for the now subsiding Yalta papers episode in the Nation's Capital—Much Ado About Nothing—at least about nothing new. It is a combined comedy and tragedy. The bungling, inept handling of the whole affair by the State Department, coupled with the all too apparent political motive which inspired it, has backfired as far as American public opinion is concerned. Only the political alarmists sought to blow up the revelations to elephantine proportions. Their efforts have been providing the comedy but have resulted also in tragedy insofar as this Nation's world relationships are concerned. There is no question, in my opinion, but what our diplomacy has suffered a serious setback.

Secretary of State Dulles, who admits there is nothing new in the disclosures, allowed himself to be maneuvered into a leak of the Yalta records—somewhat expurgated, he explains—to a New York newspaper. He could not have been naive enough to believe, having ordered dozens of copies of the 500,000-word Yalta dossier runoff for confidential distribution, that such a leak would not occur. If he was he should not be Secretary of State of our great Nation. He knew it would leak and that the demands of his political cohorts would be satisfied.

What the Secretary of State, of all men in our public life, did not appear to foresee was the worldwide repercussions that would follow. Sir Winston Churchill and the British people in particular waxed angry. They had a right to do so. The loss of confidence we have suffered in Britain alone may well be incalculable. The facts of the Yalta agreement were known to the British, as well as to our own people, but the informal—and admittedly rather tactless—discussions among the Big Three leaders at Yalta were not common property. Making them so accomplishes no peace-advancing purpose. It has nullified in no small part the friendships we have been spending billions of dollars to build up in all of the free nations.

Sir Winston also charges that the released Yalta papers are erroneous in many instances. That is understandable in view of the admitted fact that they are not stenographic transcripts, but rewrites from hurriedly made notes and jottings from memory—a very fallible source. Their value, therefore, is dubious.

The grins in the Kremlin are wide, indeed, over the loss of face America has suffered by this diplomatic faux pas. The Communists are enjoying the comedy and chortling over the new strain we have placed on our free-world relationships, not to mention the threat to congressional bipartisan accord on foreign affairs. My own conclusion is that Mr. Dulles' State Department efforts could be better devoted to keeping alive the spark of international peace rather than snuffing it out in the ashes of the dead past.

There Is Widespread Sentiment Among Members of the Legal Profession in Favor of the Van Zandt Bill (H. R. 855) Designed To Extend Coverage Under the Social Security Act to Lawyers

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. VAN ZANDT. Mr. Speaker, because of the numerous requests I received from lawyers in the State of Pennsylvania that members of their profession be included for coverage under the Social Security Act, I introduced H. R. 855 on January 5, 1955, when the 84th Congress convened.

Since the introduction of H. R. 855, which is now pending before the House Ways and Means Committee, I am amazed at the many letters I have received from attorneys in various States expressing warm approval of my legislative proposal. In addition to individual communications, I have received favorable letters and copies of resolutions adopted by county bar associations and State bar associations in the several States which disclose that there is a lively interest on the part of lawyers throughout the Nation that social security coverage be extended to members of their profession.

At this point in my remarks, I should like to call attention to the provisions of H. R. 855, which reads as follows:

H. R. 855

A bill to extend the Federal old-age and Survivors insurance system to individuals engaged in the practice of law.

Be it enacted, etc., That section 211 (c) (5) of the Social Security Act and section 1402

(c) (5) of the Internal Revenue Code of 1954 are each amended by striking out "lawyer,".

SEC. 2. The amendments made by the first section of this act shall be applicable only with respect to taxable years ending after 1954. For purposes of section 203 of the Social Security Act the amendment made by the first section of this act to section 211 (c) (5) of the Social Security Act shall be effective with respect to net earnings from self-employment derived after 1954; and the amount of net earnings from self-employment derived during any taxable year ending in, and not with the close of, 1955, shall be credited equally to the calendar quarter in which such taxable year ends and to each of the three or fewer preceding quarters any part of which is in such taxable year. Net earnings from self-employment so credited to calendar quarters in 1955 shall be deemed to have been derived after 1954.

As stated previously, H. R. 855 is pending before the House Ways and Means Committee and because of the keen interest manifested by lawyers in securing its approval, I am hopeful that the legislation will be scheduled for early consideration.

The Independence Day of Byelorussia

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. FLOOD. Mr. Speaker, on March 25, 1955, Americans of Byelorussian origin and Byelorussian immigrants in the United States are solemnly celebrating the 37th anniversary of the proclamation of the independence of the Byelorussian National Republic.

Byelorussia, a country of 250,000 square miles and 18 million population, is situated in eastern part of Europe, between Poland and Russia—Ukraine, Lithuania, and Latvia. Byelorussia has become better known to the West as Byelorussian Soviet Socialist Republic, a charter member of the United Nations since 1945.

In the past Byelorussia was an independent nation and played a great part in the medieval history of eastern Europe. Under the conditions of the time Byelorussia appeared under the name of Kryvia and later on—the 13th century—it was known as a Grand Duchy of Lithuania; since 1795 forcibly incorporated into imperial Russia.

For several times Byelorussians have tried to reestablish their sovereignty; in 1912 with the help of Napoleon, in 1831 and 1863 by armed uprising in alliance with Polish insurgents. With the start of the First World War Byelorussians again took the opportunity to liberate themselves from the Russian slavery. Through the coordinated effort of all Byelorussian organizations a general national representation, consisting of 1,167 delegates from all the corners of the country, gathered in Minsk on December 14, 1917. This first all Byelorussian Congress became the actual constituent assembly of Byelorussia, it elected the Rada—Council—and its Presidium as its executive bodies, which have assumed the responsibility for the fate of the nation.

On March 25, 1918, Rada of the Byelorussian National Republic solemnly proclaimed the independence of Byelorussia and published its third constitutional act containing the official text of the proclamation. That was the birthday of the new Byelorussian State under the name of Byelorussian National Republic.

Byelorussian Government quickly set to work to expand its activities in all fields of the national life. In spite of great difficulties connected with the war and the devastation of the country the Government made significant advances in the fields of economy, defense, education, culture, social protection, etc. Byelorussian National Republic was recognized de jure by Austria, Czechoslovakia, Estonia, Finland, Georgia, Latvia, Lithuania, Poland, and Ukraine and de facto by Bulgaria, Denmark, France, and Yugoslavia.

The new republic could not resist for too long a time the pressure of Russian imperialism without any help from outside and soon fell the victim of new occupation, this time by Red army. It was finally liquidated by the Riga Treaty of March 1921, and its territory divided between Poland and U. S. S. R.

The Russian sponsored B. S. S. R. took her place, created on January 1, 1919, in Smolensk as a Communist counterweight to the democratic republic established in Minsk in 1918. This union republic with its puppet government is still in existence within the structure of the Soviet Union.

Ever since the Russian Communists took over the country its population has been subjected to a violent and ruthless persecution for its unabating love of freedom—in soviet official language, "national-democratic" deviation—in addition to the "normal," social, and economic experimentation and irresponsible manipulation with people's property and life by Communists. But in spite of this, and in spite of thwarted uprisings, trials, shootings and deportations, the people of Byelorussia did not accept the government forced upon them, they still resist it.

The legal Government of Byelorussian National Republic was compelled to go into exile in order to continue the struggle against communism for restoration of the Byelorussian democratic independent state. After 34 years of difficult life the Government is still in existence and leads the best forces of the nation in the fight for freedom and justice.

One Hundred and Thirty-fourth Anniversary of Greek Independence

EXTENSION OF REMARKS
OF
HON. LESTER HOLTZMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. HOLTZMAN. Mr. Speaker, March 25 will mark the 134th anniversary of Greek independence.

Over a century ago the Greek people recovered their freedom and emerged once again an independent nation.

We here in America are happy to pay tribute to this great country and to her courageous people. Ancient Greece was the cradle of democracy and her culture formed the cornerstone of our western civilization. We know from history of the past glories and achievements of Greece; and we are forever indebted to her for the heritage she has handed down to us—love of liberty and concern for our fellowmen.

Since her reestablishment among the community of free nations, Greece has been beset by many enemies. In spite of those difficulties she has contributed far more than her share to the cause of world peace by her magnificent participation in World War II and in the recent Korean conflict.

Her determined opposition to nazism and communism, despite the sufferings and persecution of her people, has demonstrated to all how much freedom means to her. We have been proud to have the Greeks as our allies in the past, and we shall consider it an honor and a privilege to continue our associations with her in the future as guardians of democracy.

Greek Independence Day

EXTENSION OF REMARKS
OF
HON. HERBERT ZELENKO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. ZELENKO. Mr. Speaker, on the occasion of Greek Independence Day, March 25, it is well that we salute our many great Americans of Greek origin and to point out that the United States of America and Greece have always been closely bound by ideals of liberty, freedom, and democracy.

When Congress assembled in December 1823, President Monroe made the revolution in Greece the topic of a paragraph in his annual message, and, on December 8, Daniel Webster moved, in the House of Representatives, the following resolution:

Resolved, That provision ought to be made, by law, for defraying the expense incident to the appointment of an agent or commissioner to Greece, whenever the President shall deem it expedient to make such appointment.

Our Nation, and particularly this House of Representatives, can take pride in the fact that these were the first official expressions by any government supporting the independence of Greece and that these few official words contributed immensely in creating a feeling throughout the civilized world which led eventually to the liberation of a portion of Greece from Turkish domination.

On January 19, 1824, this House of Representatives resolved itself into a Committee of the Whole, took the above resolution into consideration and listened to a speech by Daniel Webster on the resolution and the revolution in

Greece. That speech contained many remarks apropos today.

Webster's interest in the revolution of Greece was motivated not by the glories of ancient Greece but rather as an American question. He said:

> What I have to say of Greece, therefore, concerns the modern, not the ancient; the living and not the dead. It regards her, not as she exists in history, triumphant over time, and tyranny, and ignorance; but as she now is, contending, against fearful odds, for being, and for the common privileges of human nature.
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> We are called upon, by considerations of great weight and moment, to express our opinions upon it. These considerations, I think, spring from a sense of our own duty, our character, and our own interest. * * * Let this be, then * * * purely an American discussion; but let it embrace, nevertheless, everything that fairly concerns America. Let it comprehend, not merely her present advantage, but her permanent interest, her elevated character as one of the free states of the world, and her duty toward those great principles which have hitherto maintained the relative independence of nations, and which have, more especially, made her what she is.

The self-interest Webster spoke of is strikingly similar to that of our own age, the contest between absolute and regulated governments. At that time the continental European powers were reiterating the divine right of kings theory and advocating a forcible maintenance of the status quo, including denouncements of the Greek revolt against Turkish oppression.

The force of Webster's speech is felt even today, for our official statements of support in 1823 have brought us dividends of the highest order. Greece's entry into World War I in 1917 with Greek troops winning an important victory on the Balkan front helped speed the end of that war; her defeat of Mussolini's troops for 7 months in the winter of 1940–41 necessitating Hitler's sending in panzer divisions to subdue the Greeks fired the imagination of the free world and is cited by many military analysts as the key to the eventual defeat of the Axis; and most recently Greece, in defeating Communist aggression in a bitter war, again dealt tyranny and governments based on absolute power a severe blow. It should be noted that this was the first and only time the Communists have been completely defeated by force of arms.

The history of Modern Greece is the history of the gradual liberation of Greek inhabited territories. For example, the Ionian Islands were ceded by Great Britain to Greece in 1864 after a prolonged period of constant struggle; Crete and the Aegean Islands were liberated from Turkish yoke after the victorious Balkan Wars, 1912–13. The Dodecanese were ceded by Italy after World War II and the currently publicized struggle on Cyprus dates back to the days of the Turkish occupation. Today Cyprus represents the only Greek island still not free. Webster, in his speech, actually commented on the Turkish massacres in Cyprus in which the ranking members of the Greek community were executed on the charge of conspiring with the insurgents in Greece.

American-Greek relations from the 1820's until the present have been of the highest order. The principles of our own revolution and its flames were carried over into Greece and she is today one of our most ardent champions on the Continent. This also explains her disbelief in our failure to support the principle of self-determination for Cyprus and the ensuing demonstrations.

The United States can look back on 1823 as an act of statesmanship which has brought us great dividends from a moral as well as a realistic viewpoint. Today the United States has a continuing interest in the future of modern Greece. As a military bastion of NATO and as the pivot in the Balkan alliance, Greece is our one tried and true ally in the eastern Mediterranean. As the only nation to have defeated the Communists by force of arms, she stands on Russia's doorstep as a symbol of freedom and determination.

It is only natural that the United States salute the freedom-conscious people of Greece on this occasion. We join with them in celebrating their independence and we are not only aware of Greece's ancient glories but we recognize her contemporary importance to a free world. Greece has influenced all aspects of civilization and she has been a brave and noble ally. She adds proof to the contention that the support of free institutions can hold us in good stead today.

Chief Judge Albert Conway

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. MULTER. Mr. Speaker, on February 17, 1955, the Brooklyn Lawyers Club of the Federation of Jewish Philanthropies honored one of Brooklyn's—no—one of New York's greatest citizens, the Honorable Albert Conway. My first contact with the distinguished gentleman was when I sat at his feet as a student in classes taught by him at the Brooklyn Law School. I soon learned to respect and admire him as a fine teacher, an excellent lawyer, a truly high-minded public servant, but most of all as a real friend.

He has served with distinction as a district attorney, State superintendent of insurance, county court judge, supreme court justice, associate judge of the court of appeals, and now as chief judge of that court, the highest in the State of New York.

Despite the heavy demands upon his time by official duties, he has always found time to devote to every worthwhile civic and charitable endeavor of our community.

Little wonder then, that among the many fine tributes to him that night were the following communications from the highest and most respected of our public officials:

THE WHITE HOUSE,
Washington, D. C.

DONALD FREUND,
President, Brooklyn Lawyers Club:

Please convey my congratulations to the Honorable Albert Conway on the honor which the Brooklyn Lawyers Club extends to him on February 17. To all his friends who thus join in tribute to an eminent jurist, I send best wishes.

DWIGHT D. EISENHOWER.

WASHINGTON, D. C.

DONALD FREUND,
26 Court Street:

May I tell you again how deeply sorry I am that official engagements of long-standing have made it impossible for me to attend the dinner in honor of Judge Conway at Union Temple. It would have given me the keenest pleasure to have joined his many other friends in this well-deserved tribute to Judge Conway, for whom I have great admiration and affection. I have known Albert Conway for more than a quarter century, and had the great privilege of appointing him to the court of appeals in 1940. He has made a wonderful record and I rejoice that he is now serving as chief judge, the highest judicial post in the State of New York. Will you please give Albert my congratulations and my affectionate regards?

HERBERT H. LEHMAN.

UNITED STATES SENATE,
Washington, D. C., January 26, 1955.

DONALD FREUND, Esq.,
President of Brooklyn Lawyers Club,
Brooklyn, N. Y.

DEAR PRESIDENT FREUND: I greatly appreciate your thought of me in connection with the testimonial dinner, which is being given in honor of Judge Albert Conway, on the evening of Thursday, February 17, at Union Temple. Because of my great admiration and high regard for the guest of honor, I should like very much to be present and thus to pay tribute to him in person. Unfortunately for me a long-standing engagement for that same evening, which I shall be obliged to keep if possible, is going to prevent me from being in New York at that time.

Please convey to Judge Conway my deep regret that I cannot be on hand. His has been an unusual, long, and distinguished career in his noble profession and in public service. No one more than he deserves the tribute being paid to him by the Brooklyn Lawyers Club. Please express to him my hearty congratulations upon a tribute so richly deserved and my every good wish for all that is best in health, happiness, and success in the years ahead.

Again thanking you for inviting me to be present, I am

Sincerely yours,

IRVING M. IVES.

ALBANY, N. Y.

DONALD FREUND, Esq.,
President, Brooklyn Lawyers Club:

My warmest greetings to the Brooklyn Lawyers Club and to the renowned jurist, Albert Conway, whom you are honoring this evening. I deeply regret my inability to join personally in the tributes being paid to Chief Judge Conway, for his many years of service to the State and his contributions in the field of jurisprudence. All good wishes for the continuing and increasing vigor of the charitable, communal and civil activities of the Brooklyn Lawyers Club.

AVERELL HARRIMAN.

Judge Conway's remarks that evening have important significance and though addressed to a lawyers group, would be

as apropos if delivered to a group of legislators. I, therefore, commend them to the attention of our colleagues.

They follow:

THE OBLIGATION OF THE LAWYER

(Address by Hon. Albert Conway, Chief Judge of the New York Court of Appeals on February 17, 1955, before the Brooklyn Lawyers Club)

I must tell you, first and foremost, how much I appreciate the thoughtfulness and kindness of the Brooklyn Lawyers Club of the Jewish Federation of Philanthropies in tendering this dinner in my honor as chief judge. I appreciate that you are honoring both the office and me but I, as a Brooklynite, shall treasure the memory of it. I have lived here in Brooklyn all my life and practiced law here all of my life as a lawyer. I believe that it is much easier to be well-liked and acclaimed in cities away from one's neighbors and so I have always wished to be liked in my borough among the people with whom I have grown up and with whom I have lived. Thus, I especially appreciate this dinner and thank you for it.

I should like to leave one thought with you this evening. I shall take as my text words of wisdom uttered by Mr. Bernard Baruch last year at a dedication ceremony:

"Government is only an instrument for regulating society. A limited democracy—the political form we live under—is bound to have its faults since none of us who make up this democracy is perfect. But this democracy has given each of us the opportunity to better his own condition by his own striving—and more than that no government can give us. * * *

"We in this country have succeeded because we have made Americanization synonymous with expanded opportunity. We have sought our goal of equality for all not by pulling everyone down to the same level, as has happened elsewhere, but by giving everyone the opportunity to rise."

In a measure, lawyers are set apart as members of a learned profession. I have always looked upon them as trustees of the rights of the residents of their communities. Those rights are life, liberty, the pursuit of happiness and the opportunity to rise commensurate with one's capacity and capability as received from his Creator. The correlative duties of such residents are to be good citizens, to see that justice under law prevails, and to support all worthwhile projects contributing to the good of their communities. Lawyers are thus as a group set apart. There is no other group which is the trustee of our community rights and must step forward to protect those rights when to fail to do so would be injurious. The people look to us in addition for leadership. If you will consider for a moment you will realize that the people continually display not only their acceptance of the fact that we supply the leadership but also their expectation that we will live up to our heritage in that respect for in this country we have supplied the leadership since the days of the Founding Fathers. That entails more obligations than those of any other profession. A profession, as we know, is not a business. It is only for high minded individuals of character who work assiduously, not only in their preparation for a degree and for a license to practice but also for their clients during the balance of their lives as practicing lawyers. The old adage tells us that the law is a jealous mistress. Indeed, the practice of the law takes precedence even over family obligations if the rights of a client hang in the balance.

Again, if you will consider, you will realize that there is no other profession where the people in every community, whenever any worthwhile endeavor is to be initiated, require that there be a member of our profession on the executive board, by whatever name it may be called. We are the uncommon men from whom those in our community demand service, far and beyond that which they require of business men or of men in any other profession except that of religion. When I speak of the uncommon men I refer to those men to whom much knowledge and ability has been granted and, therefore, men from whom much is to be expected and by whom much must be returned to their neighbors. It is not enough, however, that we as lawyers be trustees of the rights of our neighbors and that we as organized groups, such as this, are ready to spring to our neighbor's aid when his rights are in danger. Take freedom, for instance, freedom is the most important of our possessions and one easily lost. The Chinese have a proverb to the effect that when a man losses his freedom he has nothing else to lose. Mr. John Lord O'Brian, of Washington, a distinguished lawyer, speaking in December last put it clearly when he said:

"All of us agree that freedom for the individual is the most important and precious of our possessions. What we often forget, however, is that freedom cannot be created by law. All that the law can accomplish is to protect the rights of the individual from interference either by other individuals or by government. As Justice Brandeis once observed, the American Constitution 'conferred, as against the government, the right to be let alone—the most comprehensive of rights and the one most valued by civilized man.' In America we constantly advocate respect for the dignity of man and the sanctity of the individual. But dignity cannot be conferred upon the citizen by law. The qualities that give dignity to the individual and sanctity to his personal beliefs are qualities that must be developed within the inner life of the individual himself."

While then we are trustees of the rights of those who reside in our respective communities, we can accomplish little unless those residents fully understand the fact that our government is unique in the history of mankind. The great contribution of America has been to make law the sovereign by means of a written constitution binding equally the government and the governed. Also, we can make little progress if it be not understood that freedom is not created by law. Laws are not self-executing. The public opinion which is the great law enforcer can come only from those who understand the problems which the specific law, whether common law or statute law, was meant and intended to solve. Education then in the philosophical theory of and basis for our government and education is the meaning of freedom under law, since freedom presupposes law, must also come from the organized bar, whether it be the Lawyers' Club, such as this, or a bar association. You have a double duty, but it should not be too difficult if you teach it at your community level and thus make it leaven. It seems to me to be your duty as lawyers and mine as a judge to endeavor to do this to the best of our ability and thus to justify the confidence which has been reposed in you and me by our respective communities.

Damage to the Total Economy

EXTENSION OF REMARKS

OF

HON. A. S. HERLONG, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. HERLONG. Mr. Speaker, high, rigid price supports for farm products help create unemployment.

Under rigid 90 percent price supports surpluses have been created, markets have been destroyed, resulting in the loss of net farm income. Since 1947, net farm income has shrunk from $16.5 billion to $12.5 billion in 1954. The main reason for the shrinkage is the loss of markets and the taking of 38 million acres out of production.

With smaller production and smaller markets farmers have less to spend, which means less opportunity for employment for laboring men. The road to full employment is an expanding, dynamic, competitive economy with improvements in production and expansion of markets by the device of lowering prices.

High, rigid price supports in themselves create unemployment. They shrink business activities in the rural villages and towns. The effects reach back into manufacturing centers and all through the economy.

When a large part of farm production is closed down it not only cuts farm profits but damages all those dependent upon agriculture for employment and business.

Some 53 to 40 million acres of the Nation's highest profit crops have been cut back under the conditions created by high, rigid 90 percent price supports. These include some of the most fertile and productive lands.

It will tend to slow down the expansion of the total economy. That is why leaders in all 48 States share the concern about this great problem.

There will be less profits for farmers.

All those who sell to, or serve farmers, will transact less business—sell less farm machinery, fertilizers, chemicals, gas and oil, and all other supplies and services that are required to keep farms in full production.

There will be less for labor to do—less crop work, harvesting, processing, transportation, storage, and sales.

Prices have been supported at artificially high levels in cotton. There may be a direct connection between this fact and the fact that in 1948 there were 1,387,000 persons employed in textile mills and on January 1, 1955, textile mill employment was only 1,079,000. Likewise, flour prices have been held at artificially high levels. Employment in flour mills in 1947 was over 39,000, and in 1953 it had dropped to 31,000.

Similarly, with from 35 to 40 million less acres devoted to the high-profit crops, all farm machinery manufacture has declined proportionately.

This has all occurred under 90-percent price supports and reasonably explains why we have less employment in industry.

Just the opposite has happened in Florida in the case of oranges. We have expanded production, kept price low—often 50 percent below parity, and expanded consumption, which has resulted in more employment. We did not have price supports for the citrus industry. The consumption of frozen orange juice has increased from less than 1 pound per person in 1935–39, to about 7.5 pounds per person in 1954.

To the extent farm production is cut back and restricted, it tends to weaken the consumer demand and national

prosperity on which profitable farm markets depend.

Agriculture should be making its full contribution to the future national welfare. Farmers are greatly dependent upon full employment, and a vigorous, productive, and prosperous America. The degree to which we have such is to no small extent dependent upon the rate at which farms produce.

Operation of the high, rigid price-support laws has diverted more than mere acres.

It is diverting a big capital investment in farmland, buildings, machinery, and equipment to a lower level of use or to idleness.

It is diverting and disrupting crop rotation and proper land use.

It is reducing farm family labor to less profitable employment and in some cases partial idleness.

It is diverting employed farm workers and laborers in industries to other jobs or less employment.

It is cutting business for those who sell to or buy from farmers—and from all those who share in the business generated by production from the farms of the Nation.

To get more farm profits there must be increasing production and increasing consumption. Beware of the philosophy of scarcity. Agriculture must produce—and produce in large volume to be most profitable.

Labor, too, must have full employment in productive enterprises. Full agricultural production helps maintain full employment. When workers have good incomes it helps insure strong markets for farm products.

America did not become great on an economy of scarcity—nor will it remain great under such an approach. Restricted production is not the road to prosperity over the long pull. As we have learned through the years, a dynamic economy requires increased production and increased consumption. This is the way to more enjoyment of the better things of life by more people—the way to maintain a high level of living.

House Member Says Pentagon Knifes Reserves

EXTENSION OF REMARKS

OF

HON. CHARLES B. BROWNSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. BROWNSON. Mr. Speaker, shortly, Members of the House will be asked to consider the national Reserve plan advocated by the Department of Defense.

This plan or any other military manpower proposal cannot and should not be considered except in the overall concept of effective manpower utilization. In that connection a thoughtful observer is bound to ask, What is the matter with our present Reserve program? Why do the very generals charged with responsibility for the success of the Reserve program spend hours testifying that it is a virtual failure?

My distinguished colleague from Missouri [Mr. CURTIS] has a direct and forthright way of thinking which often cuts through extraneous matter and arrives at sound, if unconventional, conclusions. His thinking on military problems dates back to his not inconsiderable World War II experience and his careful observation of present-day events. Under unanimous consent, I include an account in the Daily Oklahoman of Saturday, March 19, of a speech and interview given by the gentleman from Missouri [Mr. CURTIS] at the Oklahoma City Life Underwriters in the RECORD.

HOUSE MEMBER SAYS PENTAGON KNIFES RESERVES—CONGRESSMAN SAYS LEADERS WANT ONLY BIG STANDING ARMY

(By Elwin Hatfield)

The Nation's high military leaders are sabotaging congressional efforts to develop a workable Reserve program in favor of a large standing Army, a United States Congressman charged here Friday.

"The Military Establishment," Representative THOMAS CURTIS, Republican, of Missouri, said, "is determined that no Reserve program will work." CURTIS, here to address a meeting of the Oklahoma City Life Underwriters, made his statement on the Reserve program in an interview.

A member of the powerful House Ways and Means Committee, Representative CURTIS said that "until the Military Establishment determines to make a Reserve system work, it won't matter at all what laws Congress makes."

These leaders, Representative CURTIS said, "don't want the National Guard to be made attractive" or, for that matter, any organization which isn't a part of the regular, active duty establishment.

SEVERAL PLANS CONSIDERED

Congress now is trying to write a Reserve program which will correct inequities of present and past systems. Several have been proposed and are now under consideration.

At the same time, Congress is writing the next 2-year budget which, in concert with presidential recommendations, would cut the size of the Army and other services. This has brought testimony from the Army Chief of Staff, General Matthew Ridgway, that if anything, the Army must be increased.

Representative CURTIS, though, believes the armed services should be cut down to a fighting force by turning over housekeeping-type services to private industry.

"Why should we send mechanics in uniform to Panama when we can hire mechanics there who are just as well trained?" he asked.

ONLY 20 PERCENT FIGHTS

That such functions as auto maintenance, kitchen duty, and barracks scrubbing can be better and more cheaply performed by local civilians and local industry has been proven, he pointed out, in Japan and elsewhere.

Representative CURTIS, a Navy lieutenant commander during World War II, estimated that during that war only 20 percent of the total Armed Forces personnel were used in combat while the remaining 80 percent performed duties which could have been better handled by civilians and private industry.

"It's that 20 percent which they use to sell us on a large standing Military Establishment," he said.

"The men in the fighting forces should be trained and trained better than we have been training them," he said.

SYSTEM HURTS ECONOMY

"If we can get these admirals and generals out of the coffee-roasting business and the optical business," he continued, the Nation can give that training under a budget it can stand.

The economy of the country can't stand the present system he said, nor, he added, can military efficiency stand it.

The Seabees of World War II had the right idea, he said.

Those units—Navy construction battalions—hired men already trained to do civilian-type jobs in combat.

"If they wanted a bulldozer operator, they didn't call up a kid and send him to boot camp and then to bulldozer school."

OLD METHODS RETURN

"Instead they hired a bulldozer operator and put him to work."

The Seabees had to fight to be permitted to do that, he said. And now that the Regulars are back in control the old system is also back in effect.

CURTIS also charged Armed Forces leaders will destroy anything in the way of a reserve program that looks good.

He said he and two other World War II veterans in the House proposed a reserve training program based on extension of high-school Reserve Officers' Training Corps program.

"We used the Army's own statements about the worth of the high-school ROTC to present our program," he said.

"Right after that, funds for the high-school ROTC program were cut.

"The conclusion is rather obvious—anything that looks good, they'll destroy. The high-school ROTC, the National Guard, or what have you."

The Port of Baltimore—A Truly Outstanding Magazine Report by the Baltimore Sunday Sun on the Second Busiest Port in America

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, one of the finest magazine-publishing efforts I have seen in a long time was accomplished recently by one of our Baltimore daily newspapers, the Baltimore Sun, in its Sunday magazine of January 9. The entire issue of this "metrogravure" section was devoted to the great port of Baltimore, and it was, as I said, a truly outstanding job.

It described in remarkable photographs and interesting, comprehensive fact-filled special articles the history, the work and the workers of the port of Baltimore, and did so in such a way that the true scope and impressive magnitude of our great port were finally and dramatically brought home to even the most casual reader.

While all of us in Baltimore know thoroughly well that our port is, as Miss Helen Delich described it in 1 of the 5 outstanding feature articles she wrote for the Sun magazine "the heart and the lifeblood of the city of Baltimore," the facts as they are developed in this excellent special report give a rounded picture of Baltimore's port which impressed every one familiar with the story. And for those who are not already aware of Baltimore's position as second most active port in the Nation and of the great

advantages it provides for shippers, the Sun magazine tells a startling and convincing story.

Because of these attributes, many of the articles in the Sun magazine of January 9, deserve to be placed in the CONGRESSIONAL RECORD for the attention of all of those citizens and officials of the Nation interested in maritime matters.

I only wish it were possible to incorporate in the RECORD some of the great photographs also contained in the Sun magazine, particularly the fine shots of the port and of its workers, taken by A. Aubrey Bodine and Hans Mark, the Baltimore Sun magazine's photographers. Unfortunately, that is not possible. But I do hope that those shipper and maritime executives who find themselves newly impressed by the advantages of Baltimore's port as a result of reading some of these articles in the CONGRESSIONAL RECORD will arrange to see and read the magazine in which they appeared originally, for the cold type of the CONGRESSIONAL RECORD cannot begin to reflect the dramatic effect of the magazine itself.

For myself, I want to congratulate the Baltimore Sunday Sun, its editors, and advertising staff for the excellent job they combined together to accomplish in putting out this outstanding magazine, and also all of those staff members who had any part in preparing the magazine. Miss Helen Delich, who regularly reports marine news for the Sun papers, and is one of the best maritime reporters in the Nation, deserves special praise for the five articles in the magazine which carry her byline.

Every article and every photograph in the section are excellent, from the opening article by Richard K. Tucker entitled "Baltimore's Giant—Our Port Sprawls Along 40 Miles of Patapsco River Shoreline," to the historical piece by Miss Delich at the end entitled "Baltimore's Growth as Port Began in 1706," which traces the port's days from clipper ships, through steamboat service, and the ever-changing years of the past century as Baltimore's port, at the beginning of the atomic age, prepares for new improvements and the challenge of tomorrow.

The Port of Baltimore, No. 2—Colorful Article, "Baltimore's Giant," by Richard K. Tucker, in Special Baltimore Sunday Sun Magazine, Recreates the Atmosphere of a Great Port

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, the first article in the Baltimore Sunday Sun magazine of January 9 devoted to the Port of Baltimore captures the scene, the color, and atmosphere of the giant which is a port named Baltimore, which, as Richard K. Tucker wrote it, "sprawls along 40 miles of Patapsco tidewater shoreline, fed by all the seas of the world. He is sometimes untidy, sometimes rough, but he is rich."

Under unanimous consent of the House, I include the text of that article, as follows:

BALTIMORE'S GIANT—OUR PORT SPRAWLS ALONG 40 MILES OF PATAPSCO RIVER SHORELINE

(By Richard K. Tucker)

Sometimes, in an early morning fog, the giant lies misty and half hidden. At first there is only the gray-green of the water, the flash of a light, the warning sound of a bell.

Then, beyond the thin curl of foam at the bow, beyond the stolid white seabird that perches on the close red channel marker, the giant rises slowly, and sprawls against the sky and shakes the smoky mist from his limbs.

He has visitors today, as every day; visitors from Japan and Malaya and the South China Sea; from Africa and the Mediterranean; from the storied Gulf of Persia and the ancient waterways of northern Europe.

The giant who feeds on saltwater does not rise sparkling and clean limbed to greet them. He shows them what they need. He shows great black smokestacks, huge gray elevators, weathered buildings. He shows soot and black tar and rust and a jumbled, crowded shoreline where dirty weeds sometimes struggle for survival. He smells of chemicals and fertilizer.

But he is also fragrant with spices from the Indies and with freshly roasted coffee. If he churns smoke at one point, he pours bright golden streams of wheat at another.

With one great rusty arm he operates a mammoth junk yard, and with another builds the newest and biggest oil tankers afloat. While dirty weeds may tangle one leg, a national shrine green with well-kept grass surrounds another.

There is the harsh clank and crash of freight-car couplings as the giant comes to life; and the groan of winches and the savage roar of faster machinery.

But there is also the soft sound of a concertina, and there are the songs of the Italian, the Greek, the Frenchman; and the quiet Mohammedan rites of a Turk thousands of miles from the mosques of home.

The giant is a port named Baltimore. He sprawls along 40 miles of Patapsco tidewater shoreline, fed by all the seas of the world. He is sometimes untidy, sometimes rough, but he is rich.

He greets no movie stars arriving from Paris. Except when they need him in dire emergency, no luxury liners seek his aid. The fancy ships with the names of queens sometimes come to him only once—to die in a scrap yard.

He greets men who work. And he greets instead of perfumed ladies in mink, great cargoes of ore, oil, chemicals and lumber. He gives back coal and wheat and machinery, a tractor for a field in France, an automobile for an executive in Venezuela. He also gives weapons for the survival of freedom.

In the evening, as the men walk from the great ships into a tangle of water-front streets, the city sees the dusky Lascar, the quiet Oriental, the Frenchman in his beret, the sturdy, pink-cheeked Scandinavian, the Englishman whose ancestors may have sailed with Drake.

More often it sees the sailor from Maine or California, or the young man from Nebraska who never smelled sea water until he was 20 years old.

Where do they come from, these sailormen whose uniforms range from sweaters and berets, to navy blue, to dungarees, to gray flannel suits? Or that skipper in sturdy dark wool and gold watch chain, looking not unlike a Peoria railroad man?

Well, they are in from Mombasa, Lulea, La Guaira, Karachi, Demarara, Tarafa, Lobito, Izmir, Mena al Ahmadi and Las Piedras.

Or they may have sailed from Oran, Bangkok, Calcutta, Cebu, Liverpool, or Halifax. Or, maybe, just from Houston, Tex.

Some have drunk sake in Yokohoma, or sat in the teahouses of Osaka a few weeks ago; they have tasted the wines of Marseilles and the pastas of Italy, and heard temple bells in Malaya. Or maybe the last time ashore was Chester, Pa.

When they have had their beer, and their steaks, and danced with a girl or two, or maybe only after they have been to the YMCA, or the union hall, they will go back to the ships, and back to the sea.

But the giant port is more than sailors from faraway places with strange-sounding names. It is the husky muscle of the longshoreman who perhaps never travels beyond Highlandtown; the sweat of the man who makes steel at Sparrows Point, and the man who builds great ships.

It is the chemist in his laboratory, the shipping executive in his uptown suite; the trucker, the railroad man, the Coast Guardsman, the customs man.

It is the tugboat man on the sturdy little boat with a name like Elmer or Justine, and the man who operates a piledriver with the unlikely name of Mary. It is the pilot waving farewell as he drops off a ship into a small boat after his trip up from the Capes, and the fireboat man pouring streams of water from big brass nozzles on red boats called Torrent and Cataract.

Sometimes it is grim-faced men in police boats grappling for a body beneath the gray surface of tides that suck and whirl around old bulkheads.

To some, it is the boatman from Virginia or the Eastern Shore, tied up along Pratt Street, with oysters in December and watermelons in July. Or, nearby, the trim ships that are whiter than gulls, unloading bananas from Central America.

The giant that feeds on salt water, and on coal and iron ore and oil, has something for everyone. Although he would cost more than $400 milion to recreate tomorrow, he keeps growing. His work is never done.

He is always busy—but sometimes in the dusk of a summer's day the giant relaxes and watches the gay lights of an excursion boat headed for the bay. Sometimes at noon he pauses to chuckle at the joke of a dockhand, and sometimes of an evening he dreams a little to the sound of a Spanish guitar.

And, always, he carries bright flags in his hands and wears white seabirds on his shoulders.

The Port of Baltimore, No. 3—Baltimore Sunday Sun Magazine Article "The Port is the Lifeblood of the City," by Miss Helen Delich, Tells What Baltimore's Port Means to Baltimore, to Maryland, and the Nation.

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, the first of five outstanding articles under the byline of Miss Helen Delich in the Baltimore Sunday Sun magazine of January 9 devoted to the port of Baltimore tell how the port "accounts for the biggest wedge of Baltimore's economic pie."

The port is responsible for the employment of 90,000 persons in the Baltimore metropolitan area and, indirectly, for the

employment of an estimated 400,000 throughout the State.

She reports.

About 40,000 of these people earn their daily bread at jobs connected with the movement of ships and cargoes—longshoremen, shipyard workers, tugboat operators, lighterage men, chandlers, agents, and surveyers. The other thousands work in chemical plants which are here because the port supplies their raw materials; for the railroads, whose 500 acres of Baltimore yards serve the port; in steel mills, served by the ore piers; in tire plants, such as one in Cumberland, which depends upon Baltimore to supply its East Indian rubber. * * *

Indirectly dependent on the port are, for example, the canneries of the State; they use tin that comes to Baltimore factories from Bolivia. Soft-drink producers depend upon Puerto Rican sugar for their pop—and upon Portuguese cork to line the bottle caps.

The full text of this article is as follows:

THE PORT IS THE LIFEBLOOD OF THE CITY—IT GIVES JOBS TO 90,000 HERE, INDIRECTLY TO 400,000 OVER THE STATE

(By Helen Delich)

The port of Baltimore is the heart and the lifeblood of the city of Baltimore.

The second busiest port in America, it is the thing that has made Baltimore the Nation's sixth largest city. To it, from world ports, come ships laden with the thousand raw materials that feed mills, furnaces, and factories. From it the ships sail away with American goods, American grain and coal, for the markets of the world.

The business of the port accounts for the biggest wedge of Baltimore's economic pie. Almost 70 cents of every dollar spent in Baltimore can be traced back to port activity—and so can 60 cents of every dollar spent in the State of Maryland. The industries dependent upon the port spend a little more than 25 percent of the State's buying income every year. That is about $825 million.

Those figures do not include the ocean freight revenue to steamship lines, which, in turn, is distributed here, or the rail and truck freight income, or the wages of ships' crews, or the amount gained through the manufacture of the items.

What makes the port big business? It's copra from the Philippines, raw sugar from Cuba. It's iron ore from Liberia, chrome from Turkey, potash from Spain, perch fillets from Germany. It's a mountain of manufactured items ranging from Japanese binoculars to Calcutta cloth to English sports cars. It's the shipping out of the wealth of America's farms and forests and mines—and of Baltimore's factories, too.

Tied up in it though they are, an amazing number of Baltimoreans are unaware of the magnitude and the importance of the port. They do not realize, for example, that the port is the city's biggest single industry. They think of it, rather, as a few banana boats tied up along Pratt Street, or an occasional rusting freighter glimpsed beneath the Bay Bridge.

A few boats? Some 400 ships move up the Patapsco every month to unload cargoes along the Baltimore waterfront—a waterfront which is 40 miles long and contains 270 berths, capable of handling everything from a Chesapeake bugeye to a 63,000-ton ore carrier.

It includes such facilities as four giant ore discharging piers, which supply steel mills in Youngstown and Chicago as well as in Baltimore; grain elevators which can hold 12 million bushels of midwestern and Canadian grain until ships come to carry it to such places as Yugoslavia and Germany and India; three intricate automatic coal piers that load coal for the free world and the vast industries that the port built in Baltimore.

These industries include the Nation's largest copper refinery, its largest alcohol plant, its largest tidewater steel mill, its largest straw hat manufacturer—and a dozen other operations that demand superlatives to describe their size and scope.

But one of the adjectives that port experts like to use is "diversification," and indeed the industries supplied by the port are nothing if not diversified. Television set manufacturers are on the list; so are soap factories, umbrella makers, broom plants, tin decorating establishments, spice packagers, oil refineries.

In terms of people, that adds up. The port is responsible for the employment of 90,000 persons in the Baltimore metropolitan area and, indirectly, for the employment of an estimated 400,000 throughout the State.

About 40,000 of these people earn their daily bread at jobs connected with the movement of ships and cargoes—longshoremen, shipyard workers, tugboat operators, lighterage men, chandlers, agents and surveyors. The other thousands work in chemical plants which are here because the port supplies their raw materials for the railroads, whose 500 acres of Baltimore yards serve the port; in steel mills, served by the ore piers; in tire plants, such as one in Cumberland, which depends upon Baltimore to supply its East Indian rubber.

And that Cumberland plant, significantly, exports finished tires through the port, typifying the two-way aspect of the traffic. A pump manufacturer in Salisbury exports pumps, too, and a leading paper straw producer in Prince Georges County ships all over the Caribbean through Baltimore. Countless more examples could be drawn from about the State.

For instance, paints, manufactured spices, portable electric tools, military equipment, automobiles, sulfuric acid, glass bottles, steel switch boxes and covers, oak lumber, scrap brass and scrap iron, electrical insulators—all these things are exported.

Indirectly dependent on the port are, for example, the canneries of the State; they use tin that comes to Baltimore can factories from Bolivia. Soft drink producers depend upon Puerto Rican sugar for their pop—and upon Portuguese cork to line the bottle caps, which, to add another link to the chain, are made in a Baltimore factory.

So the port of Baltimore, a reality because of one of the world's greatest natural harbors, is more than a few graceful ships glimpsed during a Sunday drive. It is a web of railroads, fleets of trucks, a forest of smokestacks, a growing city with 1 million population.

Without the port, Baltimore probably would be about the size of Frostburg, Md.

The Port of Baltimore, No. 4—Labor Peace, Rail Facilities, Frequent Sailings Win Favor for the Port, According to Reports From New York, Chicago, and Pittsburgh Field Offices

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EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, under unanimous consent I include in the RECORD another of the outstanding articles contained in the special Baltimore Sunday Sun magazine of January 9, devoted to the port of Baltimore. This article, entitled "Seeing Ourselves As Others See Us," contains a factual appraisal by officials of the port of Baltimore's field offices in Pittsburgh, New York, and Chicago on the factors which impress shippers in the Midwest with the port of Baltimore's tremendous advantages over other ports.

The field office officials were instructed to "please omit the booster stuff" and provide the facts as seen by "outside interests who have no local ax to grind or no local sentimentality." The result—and this is true of every article in the Sunday Sun magazine on the port—is an impressive story of Baltimore's maritime position.

The full text of the article is as follows:

SEEING OURSELVES AS OTHERS SEE US—LABOR PEACE, RAIL FACILITIES, FREQUENT SAILINGS WIN FAVOR FOR THE PORT

What does the Midwest shipper think about the port of Baltimore?

To get the answer, the association of commerce asked its three port of Baltimore field offices, located in New York, Chicago, and Pittsburgh, to sound out interior shippers, on an entirely objective basis.

"Please omit the booster stuff," the association told its field-office managers. "What we want is a factual appraisal of the port from outside interests, who have no local ax to grind or no local sentimentality."

The three field offices, as well as solicitation in Washington and nearby areas, are operated as a part of the port-promotion program of the association's export and import bureau.

That bureau is a direct descendant of the export and import board of trade formed here in 1919 to promote the port in the long-range planning program for Baltimore's economic development which was set up following World War I.

In the 35 years since, the port work has had only four directors—the late William M. Brittain, G. H. Pouder, Joseph L. Stanton, and the present director, Stacey Bender, Jr. The late Austin McLanahan was the first chairman of the port program, and the late Van Lear Black was the first chairman of its finance committee.

PITTSBURGH

"I tried to give it the hard-boiled approach," said Harry R. Capps of the Pittsburgh office, "and made a close check with some of the larger shippers in this teeming Pittsburgh-Cleveland area. These included new shipper accounts we have secured in the last year or two, as well as some of the older ones.

"Undoubtedly the first and foremost reason prominent traffic men are turning to the port of Baltimore is the wonderful labor record that we have established.

"They tell me it would now be downright silly to trust some of the other North Atlantic ports, which seem to be always on strike, with the responsibility that is involved in the handling of a large export order. They know full well that a prolonged port tieup spells disaster for any company whose cargo is involved.

"The next most important reason for an obvious trend toward Baltimore by the export traffic managers is the practical one of savings in freight rates from the Pennsylvania and Ohio territories. While these savings have been in effect a long time, some of the larger shippers are just beginning to pay attention to them as competition becomes tighter.

"I am told that even though the freight-rate saving does not in many cases reflect a

greater profit for the shipper, it does tend to make a satisfied customer when the freight-rate saving is turned back to the consignee.

"Another thing I want to stress is the shippers' feeling that the honest, friendly, cooperative services rendered by the Baltimore forwarders are unparalleled. This has proved to be a factor in many cases. There are no hidden charges and every case is open and aboveboard.

"The ability to load directly from open-top cars to the vessel at Baltimore's piers, with the absolute minimum of damage, is another important point out here. To this I might add that our shippers have noticed the sharp absence of pilferage in Baltimore as compared to some competing ports.

"While it may sound like an overstatement, I have been told by some shippers recently that the only reason the port of Baltimore was not used in all cases was due to circumstances beyond the shipper's control.

"All this, of course, does not mean that we can take anything for granted. We have our work cut out in this vital territory, which is a natural for the port of Baltimore. The squeeze of competition is growing all the time. However, we were in on the ground floor in Pittsburgh and that has counted for a lot."

NEW YORK

"Up here on the opposition's grounds," reported Charles C. Rock from the New York office, "and in a place where so much shipper control is located, it has been a tough job to combat the New York fixation. We have had to sell the Baltimore port efficiency and economy idea hard, and to try to get it into the minds of management's new cost consciousness.

"The idea that labor is on the port of Baltimore team has been the biggest factor here in gaining confidence for our port's handling of New York-controlled cargoes. There has been plenty of skepticism to overcome in this field, too, with the port labor troubles here still fresh in everybody's mind.

"Many New York traffic managers now tell me that the port of Baltimore is their choice because it offers savings that cannot be found at any other port on the eastern seaboard.

"One traffic manager stated a few days ago that the considerable savings experienced by his company since diverting cargo to Baltimore are so compelling that they cannot do otherwise than continue.

"He gave me the following rundown of Baltimore's port advantages, as he sees them:

"1. Direct loading of cargo from railroad cars to ships' holds.

"2. Excellent geographical location of the port, with freight differentials giving savings of 60 cents per ton or more.

"3. Absence of cartage charges within the port, and heavy lift charges.

"4. Free dockage for ships calling at Baltimore, affording shippers assurance of frequent and dependable steamship service.

"5. Efficiency in cargo handling, which eliminates unreasonable handling costs and possibility of damage.

"6. Availability of three trunkline railroads and a terminal railroad, affording expeditious and dependable freight service to and from the interior.

"I guess the majority opinion in the New York area, in respect to use of the port of Baltimore, can be summed up in our stable labor force and the above-listed advantages. Together they spell 'economy.' These two factors form the most attractive asset which our port has to advertise."

CHICAGO

"Increased steamship sailings from Baltimore, both by the long-established lines and those which recently have entered the port, represent the strongest appeal to shippers in this area," said A. LeRoy Johnson of the Chicago office.

"Don't let's forget that the impressive increase in the production of semi-finished and manufactured products within the greater Baltimore region, for which worldwide markets exist, has played a large part in bringing these increased sailings to the port, and making it profitable for ships to call at Baltimore to handle shipments of these home territory industries.

"The resulting increased sailings and services have importantly heightened the interest in Baltimore of central western shippers, to whom sailing frequency is a vital consideration.

"I am trying to say that the industrial expansion in the port of Baltimore and its surrounding region in recent years has been a major key factor in augmenting the export and import tonnages being handled through our port for the account of international traders in the Central West territory.

"I checked back on our sailing schedules for 1946, when this office was established, and compared them with current 1954 schedules. The contrast was amazing. This, after all, is the best evidence of the reaction of shippers and receivers of foreign cargo to Baltimore's overall port promotion. Port steamship service is the magic word out here.

"I should like to mention the pool-car operations now offered between the Midwest and the port of Baltimore, some of which use our port exclusively, as well as the growing list of freight forwarders. Somebody has to create the offerings of cargo and the railroads and forwarders are key factors in that job. The old word-of-mouth method has contributed immensely to the Baltimore port job in this territory."

While Baltimore did not actually pioneer in the establishment of field offices for port promotion, only a very few were in existence when Baltimore's were opened. Subsequently, there has been a great rush in this direction. Chicago offices now include New Orleans, New York, Mobile, Charleston, Portland (Oreg.), San Francisco, Philadelphia, and Hampton Roads.

In addition to day-to-day solicitation of cargo, both general and bulk, the offices function as information centers on Baltimore. The association credits them with producing 500,000 tons of new port cargo in 1953 and predicts as much or more in 1954 when the figures are in.

However, the association does not like to make too many claims in this respect. The work of the offices is naturally confidential, for competitive reasons, and it is therefore difficult to give a satisfactory picture of results.

In any case, the field offices keep the port up to concert pitch.

The Port of Baltimore, No. 5—Baltimore Offers Midwest Shippers Savings Running as High as 8 Cents per 100 Pounds

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, the background of Baltimore's advantages as a port also explains why some other port cities are carrying on a relentless drive to break the freight differential which favors Baltimore.

The following article Lower Freight Rates a Port Advantage, by Helen Delich, traces the development of Baltimore's special shipping advantages as "the most western of the eastern seaports, and the most southern of the northern ports, and the most northern of the southern outlets to the Atlantic Ocean," and is another of the excellent reports on Baltimore's port contained in the Baltimore Sunday Sun magazine of January 9:

LOWER FREIGHT RATES A PORT ADVANTAGE—BALTIMORE OFFERS MIDWEST SHIPPERS SAVINGS RUNNING AS HIGH AS 8 CENTS PER 100 POUNDS

(By Helen Delich)

The port of Baltimore is often described as the most western of the eastern seaports, the most southern of the northern ports, and the most northern of the southern outlets to the Atlantic Ocean.

At other times it is referred to as "the port for Pittsburgh," and "the port of Akron," and the port of other industrial centers in the Midwest, because it is the closest port to them and handles the majority of their ore imports and their heavy steel and machinery exports.

Because of its location in relation to the Midwest, this port has been able to offer cheaper freight rates on all commodities that are both exported and imported. Some of the rates are from 1 to 8 cents per 100 pounds cheaper on general-cargo items than Philadelphia or New York can quote. And on bulk cargoes, the freight rates are 20 to 60 cents a ton cheaper through Baltimore.

In the highly competitive picture today, every cent saved is important to a traffic manager, so the port of Baltimore means more to him than ever.

For example, this port, as compared to Philadelphia, represents a saving of at least $2,000 in freight rates alone on 10,000 tons of manganese ore moving to Pittsburgh, or $3,000 if it is going to Marietta, Ohio.

Fifty carloads of tinplate can be exported from Steubenville, Ohio, with a $500 saving on freight rates if handled through Baltimore instead of Philadelphia, and a $2,000 saving over New York.

This does not take into consideration the money saved through more efficient longshore operations and faster turnaround of ships.

It is no wonder, therefore, that the rival ports want to take this important asset away from Baltimore and are fighting harder now than at any time since 1877, when the present lower freight rates first went into effect.

The most recent step to break the differential was inaugurated by Philadelphia and the Pennsylvania Railroad about 3 years ago on import iron ore moving to 17 points west of Pittsburgh. Philadelphia's victory inspired Boston and New York to seek the same rates.

The case now is in the hands of the Interstate Commerce Commission, with Baltimore not only defending itself against New York and Boston, but also trying to have the ICC remove the parity from Philadelphia and recreate the differential between this port and that one.

The principal fear in Baltimore waterfront circles is that once a break is made in the freight-rate differential, more will follow until the entire differential collapses.

Actually the equalization of the import iron ore rate with Philadelphia has already made a difference in the movement of that commodity through this port for considerable tonnage bound for the Midwest has passed through Philadelphia since parity became effective.

The only other loss this port has suffered on its differential concerns ex-lake grain (grain moved from the Midwest across the Great Lakes by boat and then shipped to the Atlantic Ocean by railroad for export).

For many years Baltimore shared the lowest rate on this particular grain only with Philadelphia, but finally Albany, New York,

Boston, and Portland succeeded in having the difference of one-half cent per 100 bushels removed. Although the ex-lake grain rate is not considered too important to the port tonnagewise, the principle of a dent in the differential is of the utmost importance.

For this reason, many local businesses and industries have united to help fight the import iron ore case before the ICC.

As G. H. Pouder, executive vice president of the Baltimore Association of Commerce, says:

"No more vital issue confronts the port of Baltimore than the preservation of its differential freight-rate structure. Based on our primary port asset of location, it is a basic advantage which through the years has been of immense importance in building and sustaining the business of the harbor.

"Rival ports have launched attack after attack on this rate pattern in the last half century, but the Interstate Commerce Commission has always reaffirmed its validity and the attacks failed. Our competitors consider this a very juicy morsel.

"They are now gathering their forces for another major effort, one phase of which is the current ore case, and Baltimore is fighting back with all of its resources. Our economic future will be profoundly influenced by the results.

"The preservation of our port rate advantages should enlist the interest of every citizen and the support of all fields of business as well as of the city and State. It calls for our best skills and most concentrated effort."

Maintenance of the freight rate differential on foreign-trade cargo is considered of particular importance now that the St. Lawrence Seaway is to become a reality in 6 or more years. At that time, 27-foot-draft oceangoing ships will be able to sail into the Midwest from which Baltimore now draws quantities of its commerce.

Ships going all the way into the Midwestern ports will take several weeks longer than if discharging in Baltimore, but this factor alone is not expected to particularly deter shippers of bulk items like grain and ore.

Therefore, local port interests are concentrating on general-cargo movements, particularly on exports because their producers can be contacted so easily and emphasis placed on the money-saving use of the port of Baltimore.

The seaway may help Baltimore in another way—by making shippers more conscious of cheaper costs once they use a seaway port; they may be shocked at the difference between New York and the budding Midwest "ocean" ports. Therefore, they will search for the cheapest North Atlantic port during the winter months when the seaway will be frozen over. Naturally, Baltimore will rank high in consideration because its overall costs already are cheaper than New York's.

Actually, the seaway's effects are so uncertain that no experts will hazard a prediction. Some persons believe that the increased foreign trade of the Nation on the whole will provide enough business for all ports, and so none will feel any detrimental effects of the inland waterway.

The construction of the seaway doubly emphasizes the importance of maintaining the freight differential, which can be traced back to 1869, when the railroads granted a 10-cent advantage to Baltimore due to its proximity to the West. The next year this was reduced to 5 cents per 100 pounds of grain.

In 1876 the railroads decided to adopt a tariff based upon the relative distance of the Atlantic ports from western points, rather than base the rates upon those of New York. The 13 percent advantage to Baltimore and 10 percent to Philadelphia from Chicago lasted only 6 weeks; then a rate war was begun by the New York railroads.

Prospects of bankruptcy within a few months resulted in the differential rate agreement of April 5, 1877, between the trunkline railroads themselves. On eastbound freight to Baltimore, there was a differential of 3 cents on all classes, and on westbound freight a differential of 8 cents on the first 2 classes and 3 cents on the others.

Along with the struggle to maintain the hold on midwestern business, local port interests are watching the expansion of southern ports as the industrial boom in the South broadens, calling for more waterfront facilities in the Carolinas, Georgia, and Florida, and along the gulf coast. Because southern rail rates are cheaper, some ports there already have the same freight rates to the Midwest as Baltimore on certain commodities.

The leading local interests are also alert to the widespread promotion programs which New York, Hampton Roads, and Philadelphia are engaged in.

These combined pressures upon the port, Maryland's most important asset, have resulted in the city and State supplying funds for an up-to-date study of port needs.

This survey is expected to call for the establishment of a Port Authority of Maryland, with the legislation being introduced in the current session of the general assembly.

In the meantime, the local interests are rallying to obtain deeper channels into the port to accommodate the mammoth ore carriers and tankers being constructed around the world, and fighting to widen and deepen the Chesapeake and Delaware Canal. Congress has authorized the latter project, but has not yet provided funds.

When these channel changes are completed Baltimore will have two unbeatable connections to the Atlantic Ocean—an asset no other North American port can claim.

The Port of Baltimore, No. 6—Helen Delich Article in Baltimore Sunday Sun Magazine Tells About Baltimore's Longshoremen "Noted for Fast, Efficient Work"

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, longshoring is one of Baltimore's biggest industries. It is also a hazardous occupation. In the Baltimore Sunday Sun Magazine of January 9, Helen Delich reports on the methods used by Baltimore's stevedores—that is, waterfront employers—and longshoremen to give Baltimore's port such an outstanding international reputation for efficiency of loading and unloading operations.

This article represents the findings of one of the outstanding maritime correspondents in the country into a calm and peaceful field of management-labor relations in Baltimore which, in some areas of the country, is extremely controversial, explosive, and unstable. The text of the article is as follows:

NOTED FOR FAST, EFFICIENT WORK—BALTIMORE SYSTEM OF OPERATING IS TERMED IDEAL FOR ALL PORTS

(By Helen Delich)

The port of Baltimore's international reputation for no corruption, no wildcat strikes, and no constant work stoppages, but for efficient, fast cargo handling is credited to its longshoremen and stevedores.

The 3,400 longshoremen and 20 stevedores have done their job here so well that favorable word is broadcast throughout the world by steamship executives and such groups as the Senate Interstate and Foreign Commerce Subcommittee investigating waterfront rackets, the New York Anticrime Commission and the Waterfront Commission of New York.

In fact, these groups, after considerable study of the subject, look upon the Baltimore system as the ideal one for all ports.

The activities of the Baltimore longshoremen caused the Senate subcommittee to say it "was favorably impressed with the Baltimore system and its apparent benefits. Its chief advantage seems to be that it gives the stevedore—employer—a direct voice in the selection of his employee, while at the same time providing a system where integrity and efficiency among the men are encouraged, recognized, and rewarded.

"Conscientious members of the labor force appear to have substantial job security, and the system has eliminated the goons and racketeers, as well as the incompetent loafers, who are so much in evidence elsewhere."

Testimony presented to the Senators described the Baltimore longshoreman as hard-working, a family man, a homeowner, and one proud to bring home a pay envelope every week. His family and home traits were held to be among the principal reasons he towers far above the New York longshoreman and is not interested in conniving and racketeering.

Most persons erroneously use the words stevedore and longshoreman interchangeably. The stevedore is the employer, the owner of the company. The longshoreman is the workingman.

The longshoreman's occupation is listed by insurance companies as the most hazardous in the Nation, but still many sons follow in their father's footsteps. The men range in age from 17 to 75. Some of the older ones decline to stop working even though a pension system has been worked out between the International Longshoremen's Association and the Steamship Trade Association.

In Baltimore, three-fourths of the longshoremen are Negroes; the rest are principally of Polish and Irish extraction. All work under a system of gangs.

Sixteen men form the basic gang. Headed by a gang carrier, the others are a deckman, 2 winchmen, 8 hold men, and 4 wharfingers. The same men compose the same gang year in and year out.

The gang carrier is the leader of the group; he has been given that position because the 15 men under him signed a paper petitioning that he be. Their request has to be approved at a general union meeting.

The deckman signals the winchmen, who operate the mechanical winches that lift and lower cargo. The safety of the men in the hold and on the dock depends on the deckman's accurate signaling; a wrong move by him could plant tons of cargo right on top of a man. The hold men hold and discharge the pallets inside the vessel's cargo holds, and the wharfingers perform the same task on the pier.

On certain cargoes, designated in the contract, a gang must get extra men. Some of the extras belong to no gang at all, while some are members of gangs not working on that particular day.

The longshoreman's work is sporadic.

He may go days without a job because shipping is slow, and then he may work 16 hours a day for several days in a row.

Every morning he goes to the union hall with the rest of his gang, hoping that his gang carrier's name will be called out, for that means at least 4 hours' work that day. However, he is seldom certain when he leaves home whether it will be.

Often, under the present method of operation, his gang is placed "on the hill"—told to stand by—the evening before by a stevedore, but that doesn't guarantee him work the next morning—the ship may fail to arrive or bad weather may prevent work.

Even though it is "on the hill," the gang has to go to the union hall the next morning for confirmation of the order for that day. Sometimes it loses the opportunity of working for another stevedore by standing by for one whose ship didn't show up.

Perhaps the standby gang will only begin working at 1 p. m. that day for the original stevedore, which means it will have sat around the union hall 5 hours until the ship was ready.

In 1954, out of 3,200 men who had more than 700 hours of work, 1,800 put in more than 1,200 hours or averaged 30 hours or more a week.

The hiring of longshoremen in Baltimore by the gang system dates back to 1913, when the ILA was first formed. The Polish longshoremen who formed the majority of the water-front labor at that time inaugurated this system by selecting certain men they wanted to lead them.

Most of the time a gang works for the same company, which has first choice on that gang. However, when that stevedore doesn't have any work the gang works elsewhere, or it may split up and work as extra men with other gangs.

But as soon as the original steamship line has work again, it uses its priority and takes its gangs back. The company port captain calls up the union hall, designates the gang by giving the name of the carrier, the number of tractor drivers and usually their names, and the number of extra men needed.

The union delegates pass on the orders over loudspeakers in the hall by calling, "Phillip's gang, pier 8, Port Covington, United States Lines"; "Eady's gang, pier 6, Locust Point, Ramsay, Scarlett with four extra men; tractor drivers Sam, Jones, and Petey"; "Bender, pier 5, Port Covington, Robert C. Herd"; "Hurd, with eight extra men, Sparrows Point High Pier, for Rukert Terminals."

Gang Carrier Steve Phillip has been longshoring for about 30 years, Howard Eady for 28 years, and Harm Hurd for 50 years, specializing in steel. William Bender, after 50 years, is breaking his son in as a deckman in his gang. Then there are "Big Jeep," "Little Jeep," S. O. Thomas and Gus Price. Altogether there are 137 gangs in the port—32 belonging to local 829, the white local, and 105 to local 858, the Negro local.

Not all longshoremen are engaged in the actual loading and discharging of cargo on ships, and not all belong to gangs.

These exceptions include the foremen, who help supervise the gangs for the companies; the checks and tally men, who count the goods going on and off the ships; the stowage planners, who lay out the cargo plans; the gearmen, who take care of all the equipment in the shanties; the carpenters, who build bins in grain ships and short heavy pieces of machinery in position in the holds; and the line handlers, who help dock and undock ships.

Then there are the specialized gangs engaged only in the trimming of grain and coal in ships' holds, and those used in cleanholds and ships.

Each longshoreman in Baltimore is issued a number by which he works and which is engraved on a brass check, which must be shown whenever he goes to work and gets paid. This prevents a man from assuming 2 or 3 names and working under them for several companies—as the longshoremen in New York have been doing. Also, he cannot draw unemployment compensation under one name while working under a different one.

Hurd and Bender can both remember when a longshoreman's wage was about 25 cents an hour.

Today the wage is $2.35 an hour, with pension and welfare benefits.

The wages and the number of hours for which a man is paid are the same all along the North Atlantic coast, so Baltimore is no worse or better off on these issues.

As for the excellence of their work, the local longshoremen are said to be able to handle general cargo nearly three times as fast as others, even though bulk cargo is supposed to be their real field.

One stevedore executive recently remarked that in New York the longshoremen move only 14 tons of cargo an hour, compared to 40 tons an hour of the same type cargo in Baltimore.

The excellence of the work continuity in Baltimore speaks for itself from the records.

In 1953, New York had 152 wildcat strikes—typical of that port. The 1954 record was not far behind.

Philadelphia has averaged three port tie-ups annually in the last several years.

An unwritten agreement between union and management here helps prevent pilferage on a major scale. The union does not condone it any more than does the steamship agent or owner or railroad at whose terminal the ships dock and the cargo is worked. In fact, in several instances locally, the union leaders have permitted stevedores to refuse to work a gang because of stealing. Usually the other men in the gang then force the return of the goods.

But in New York pilferage takes place on a grand scale.

Both management and labor also are credited for the healthy local situation along these salient points:

1. The local longshore leaders—August Idzik, William Haile, Stephen Mach, John Barry, Mickey Hughes, Tom Wilkerson, Andy Lutz, and Edward Jones—have refused to follow the racketeering pattern of New York.

2. The longshoremen have perpetuated the long-established stability by refusing to strike.

3. A longshoreman can work only by turning in a brass check number designated by the Steamship Trade, and almost all payments are by check.

4. Truck drivers and their helpers are permitted to do their own loading and unloading, and call for assistance only when needed. This caused the Senate committee to say: "Baltimare is free of the vicious extortions of the public loaders."

5. The use of union halls for hiring men here eliminates the dock payoffs that existed in New York previously, and the expensive (paid for indirectly by the shipper) Waterfront Commission hiring halls, the present rule-of-the-day in that racket-ridden port.

A close alliance has always existed between the union and the Steamship Trade to which most of the employers belong, as well as the few other companies which negotiate individual contracts with the ILA.

The Steamship Trade Association of Baltimore is composed of steamship agents, maintenance concerns, stevedoring companies, watchmen and ship ceilers. That organization acts as the management and makes all the contracts with labor for them. Ten other companies negotiate privately with the union, following the pattern set by the STA.

It is a combination of all these circumstances, with the longshoremen serving as the hub, that has given Baltimore its place as the second busiest port in the country, along with labor stability and efficiency.

Actually, longshoring—the lifeblood of the port—is one of Baltimore's biggest industries. As many men are engaged directly in it as are employed by the Baltimore Transit Co., or are engaged in shipbuilding, repairing, and scrapping.

The Port of Baltimore, No. 7—Baltimore Sunday Sun Magazine Picture Story Tells of Port's Preeminence in Building, Repairing, Scrapping Ships

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, in another of the excellent illustrated stories of Baltimore's great port in the Baltimore Sunday Sun magazine of January 9, the article We Build Ships, Repair Them, Scrap Them, by Helen Delich, reports on Baltimore's preeminence in these three fields. From the Revolutionary War until the present day, Baltimore's shipyards have been vital to the Nation's defense in turning out the vessels which have been the backbone of our merchant marine, as well as many naval combat ships.

The Nation's first steam tanker, the world's first submarine, 49 ships used in World War I, and the largest number from any one port—609—were built for World War II, at Baltimore's facilities.

Miss Delich tells this story, and also the story of the great ships scrapped at Baltimore, in the article which follows:

WE BUILD SHIPS, REPAIR THEM, SCRAP THEM—BALTIMORE TODAY IS A WORLD CENTER OF ALL THREE OF THESE ACTIVITIES

(By Helen Delich)

Maryland has been a shipbuilding center ever since the colonists found abundant stands of virgin timber to use in building wooden vessels and copper ore for sheathing the bottoms. Oxford and Grays Inn Creek were among the Chesapeake Bay towns that vied with Fells Point to produce the best ships.

As the industry gradually concentrated in the Baltimore area, repair yards sprang up, and later dismantling facilities, so that today Baltimore is a world center of all three of these activities.

From their earliest beginnings, Baltimore shipbuilding and repair yards have achieved countless firsts to establish all kinds of worldwide records—for total tonnage produced, for new types of ships, for largest ships and for fastest ships.

Baltimore led the Nation in construction from the mid-18th century through the Civil War, and as recently as 1953 the Sparrows Point yard led the world in the production of new ships, delivering 10 with a total deadweight tonnage of 216,138.

Shipbuilding in Maryland was begun on Kent Island, in 1634, by Capt. William Claiborne, who needed pinnaces and shallops for his bay trading activities. In 1662 it was begun at Baltimore by Abraham Clark, who settled in the area of Fells Point. But it was not until nearly 80 years later, when William Fell became interested in shipping, that there was planted the real seed of "Baltimore—World Shipbuilding Center."

Fells Point was ideal for producing log canoes, brigs, brigantines, and barkentines, for yellow pine and oak could easily be brought from the Carolinas and Georgia by water and Maryland itself had white oak, locust, and red cedar. The State's numerous iron works supplied metal for guns and ship parts. Also Baltimore was easily accessible to the linseed-oil manufacturers and the cordage and naval stores suppliers.

The pride of workmanship has been evident throughout the entire 200 years of major shipbuilding—since 1752, when the brig *Philip and James* became the first square-rigger to be built here.

"Maryland started out right and it has been on the right path ever since as far as shipbuilding is concerned," says an international maritime executive. "The people engaged in the industry in this area seem to have a natural talent and the inclination to produce a superior job.

"Only the most skilled immigrants and shipyard workers seem to come here."

Baltimore's shipbuilding reputation first came from the rakish topsail schooner that was developed in the last quarter of the 18th century and that was a big factor in the outcome of the Revolutionary War and the War of 1812. During the Revolution 248 vessels, most of them built at Fells Point, sailed from Baltimore, and in 1812 Baltimore produced 126 speedy privateers.

In 1832 the renowned *Ann McKim* marked the end of the Baltimore clipper age and the advent of the clipper ships—the principal difference between the two types is that the latter were bigger; they could carry more than 600 tons of cargo.

The California gold rush motivated Baltimore yards to produce clipper ships still more rapidly; the most famous of these were the *Seaman* and *Seaman's Bride*. Then came the *Mary Whitridge*, which completed a trip to Liverpool in 13 days 7 hours.

With the outbreak of the Civil War shipbuilding dwindled. However, ship repairing—of both foreign oceangoing vessels and domestic paddle-wheelers—mounted in importance. Columbia Iron Works was founded. Its $375,000 graving dock, large enough to accommodate a ship 470 feet long, was a far cry from the screw dock erected in 1828 on Mr. Ramsay's wharf.

Three large Navy craft—the gunboat *Petrel* and cruisers *Montgomery* and *Detroit*—were built there, as was the Nation's first steam tanker, the *Maverick*.

But the Columbia yard went into receivership in 1899. A group of prominent Baltimoreans formed the Baltimore Shipbuilding & Drydock Co., in an effort to save the port's reputation and finish the leftover construction on the ways. When that company, in turn, was forced into receivership in 1904, the century-old William Skinner firm bought it and combined the two properties.

During this period the world's first submarine, the *Argonaut*, was built at the foot of Federal Hill, a rival commercial shipyard at Sparrows Point was progressing, and the United States Coast Guard selected Curtis Bay as the site of its only shipbuilding yard.

While it was owned by the Maryland Steel Co., Sparrows Point's most spectacular achievement was constructing the floating drydock *Dewey*—500 feet long, 99 feet wide, and 30 feet deep—for the Navy in 1905. The *Dewey* was towed 13,000 miles to the Philippine Islands in what was described as the greatest feat ever attempted up to that time in transoceanic navigation.

Most of the ships built around Baltimore before World War I were Navy destroyers and ferry boats. By the time the United States was involved in the war, Bethlehem Steel had brought Sparrows Point. It contributed 49 ships for World War I use.

With passage of the 1936 Merchant Marine Act calling for a strong American-flag fleet, the local yards were expanding and modernizing just in time to supply 609 major ships—the largest number from any one port—to help win World War II. Of these, 101 were specialized types, ranging from troop transports to team combat vessels, built at Sparrows Point. The 508 others were Libertys, Victorys, and LST's, built at the Bethlehem yard at Fairfield.

This outstanding record of production was achieved by J. M. (Jack) Willis, who has launched more than 1,000 ships and is considered the Nation's foremost shipbuilder. At present he is general manager in charge of shipyards for Bethlehem in the Baltimore district.

Sparrows Point produced the world's first supertanker in 1948, the 18,000-ton *World Peace*, and in 1953 established a world record for overall production. Now it is preparing to construct three 32,000-ton tankers—each of these larger than the total registered tonnage of this port a century ago.

Each of these mammoth ships will provide about 850,000 man-hours of employment for shipyard workers and 1,700,000 more in supply industries. Today when a ship is built at Sparrows Point, the entire Nation is involved in its production.

It takes about 5 months from the time a keel is laid for a ship to reach the launching stage. Even before the keel-laying mold loft workers and patternmakers have laid out the templates and made life-size wooden patterns of every section of the vessel.

And at the launching only the vessel's outer steel structure and 10 percent of her engines and insides go down the ways. Tugs tow the powerless hull to the fitting-out dock where her engines, turbines, electrical wiring, furnishings, and navigational gear are installed during another 5-month period.

Both the construction and repair yards here get some foreign-flag work, but this Nation's higher standard of living and naturally higher costs tend to route foreign owners to yards where labor is cheaper.

The port's two principal repair yards are Maryland Drydock and Bethlehem-Key Highway, whose keen rivalry has built them up to the topmost level of ability and now induces many ships to come to Baltimore in ballast just for their repairs.

Smaller local yards are General Ship Repair, Baltimore Marine Works, Chesapeake Marine Railway, and Booz Bros., the last named still operating under the name it started with nearly a century ago.

In 1922 Maryland Drydock replaced the 2-year-old Globe Shipbuilding & Drydock Co. During the last war, this yard performed endless mammoth conversions for the Navy and Maritime Commission on all types of vessels, repaired tankers with half of their sides torpedoed out. Later, it converted five 12,000-ton general-cargo carriers into Great Lakes ore ships.

Recently, Maryland became the first commercial yard to be awarded a contract for applying a special type of plastic coating (saran) to all tank surfaces of a gasoline-carrying tanker.

Under the supervision of President George H. French, Maryland Drydock is countering the general downward trend in ship repairing by resorting to industrial production in order to keep its skilled workmen and yard shops busy. It is producing things for the power, petroleum, and chemical industries.

The Key Highway yard grew out of the old Skinner yard, which followed its predecessor into receivership and was bought by Bethlehem from the Baltimore Drydock and Shipbuilding Co.

Now Key Highway—which initiated the construction of Great Lakes ore carriers outside the Lakes—is experimenting for the Maritime Administration to see whether the World War II Liberty can be transformed into a desirable fast ship.

At the present time, both major yards are dependent somewhat on the emergency repair and conversion of Government ships to help keep their facilities and drydocks—10 are available in this port—in operation and to prevent their skilled men from turning to other crafts. Because it takes at least 10 years for a man to become a top-scale, skilled shipyard worker, the yards feel they cannot afford to lose many.

The scrapping of ships is related to the building of them and, surprisingly, requires special knowledge. The scrapping must be done piece by piece in reverse procedure from shipbuilding. All of the interior fixtures are removed and then gradually the vessel is cut down, deckhouse by deckhouse, and on down to the keel plates.

Boston Metals Co. and the Patapsco Scrap Corp. are Baltimore's scrapping yards. Smaller ones have folded up because of the sharp drop in scrap steel prices.

Started in 1904 by Morris Shapiro, a young immigrant who could hardly afford to feed himself when he started to gather junk iron and sell it, Boston Metals has destroyed almost as many famous ships as the local shipyards have built or repaired.

The vessels which ultimately helped make Mr. Shapiro into a multimillionaire and racetrack owner include the *Kron Prinz Wilhelm II, George Washington,* and *Kron Prinzessin Cecillie,* the aircraft carriers *Wake Island, Attu,* and *Reprisal,* and the *Pennsylvania.*

In 1925 this yard won international acclaim for Baltimore by being the only one to make a bid to scrap 200 War Shipping Board vessels, at a price of $1,370,000.

Patapsco Scrap was created by Bethlehem after World War II on the old Fairfield building site, and has demolished many destroyers and old cruisers, along with ferryboats and merchant ships, including the liner *Veendam.*

The 3 shipyard industries, which at their peak employed about 80,000 people in this area, now are down to about 5,000. The building and repair yards particularly are arguing for an American merchant marine to help preserve their own status as well as that of the Nation.

They firmly believe that American-flag ships—built in Baltimore or any other port—are vital as the Nation's fourth arm of defense, besides being paramount to United States industry.

And new construction naturally would make more old ships available for the scrap yards and conversion into new steel for the modern craft.

The Port of Baltimore, No. 8—The Fascination of Baltimore's Great Port to Those Who Watch Its Teeming Activities

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EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, in putting together the excellent magazine of January 9 devoted to the port of Baltimore, the Sunday Sun included a curious camera feature devoted to interviews with various Marylanders who were asked "What do you find most interesting about the port?"

These answers, I think, go far toward demonstrating the fascinating attraction which the port of Baltimore holds for all of us in Baltimore and for our friends in neighboring communities. They speak of the romance of the place, the excitement, and the interesting atmosphere. One Baltimorean sums up the magnitude of the port's commerce with the provocative question, "Who eats all the bananas that come in?"

These thumbnail impressions of a great port and of its tremendously varied

sounds, sights, smells, and activities follow:

CURIOUS CAMERA

Question: "What do you find most interesting about the port?"

Mr. Norman Ruckert, Jr., Catonsville, Md.: "I've been around the port for 24 years and every job is different; that's what makes it interesting. That's also what keeps men around the water. I've done everything from crating firebrick to grinding and bagging fish scrap."

Mrs. Irene Spatafore, 7445 Edsworth Road: "The big boats are fascinating. I never realized they were so huge until I went down to Pratt Street. There is a certain romance about foreign ships, and the passing thought of traveling to foreign ports upon them."

Mr. Willis B. Hedges, Essex, Md.: "I find the great variety of commodities that enter the port of Baltimore most interesting. I'm around the water every day and have seen chestnuts from Turkey, broom corn from Greece, and horseradish from Germany. Every ship brings some strange cargo."

Mrs. Mable Altmeyer, 7507 Lange Street: "The unloading of boats is probably the most interesting thing. There's so much activity that you think of ants swarming over a box, each carrying away his share. It also amazes me to think who eats all the bananas that come in."

Mr. Charles C. Schroeder, 1615 North Milton Avenue: "The most interesting sight is the large ships arriving so low in the water that their Plimsoll marks are on the waterline. That means the ships are loaded to capacity and there'll be lots of work for everyone connected with the port."

The Port of Baltimore, No. 9—Some Figures on Baltimore Exports and Imports

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, the Baltimore Sunday Sun, in pictures and text, told the exciting and impressive story of Baltimore's great port in its metrogravure magazine section of January 9. As impressive as anything in that magazine were the somewhat dry but convincing statistics on the port's commerce reported in the following article, Some Figures:

SOME FIGURES

The value of exports handled through Baltimore annually has increased 215 times since 1790, the first year for which complete statistics are available.

The 1790 exports were valued at $2,027,000; they included 223,062 bushels of wheat, 127,234 barrels of flour, 5,533 barrels of bread and thousands of pounds of tobacco.

The 1953 exports were worth $430 million; these included 70,773,693 bushels of grain and 1,486,127 tons of coal. The remainder were fertilizer and chemicals, steel and heavy machinery, and general cargo.

The total foreign tonnage of 21,420,300 shipped from this port in 1953 was valued at $913,400,000.

Other interesting old figures contained in various historical sources show that in 1689, when Joppa was a leading Maryland port, 25,000 hogsheads of tobacco were transported to England. Tobacco was the most important commodity this State exported until 1750, when grain began entering the picture.

In 1761 Baltimore's tobacco shipments were valued at £140,000, and all the other exports at £80,000.

In 1799, as the third commercial port of the country, Baltimore saw its exports rise to a value of $16,610,000. Imports had not yet become a prime factor in the picture.

Through the years, the value of cargo increased along with tonnage. In 1853 the total tonnage was 262,685; of this, 143,596 was exports and the remainder imports.

The 1873 tonnage jumped to 411,161 in exports and 397,167 in imports. By 1877 the value of the port's foreign commerce was $62,025,641—a rise from $17,381,591 since 1872.

In 1883 imports overtook exports, with 795,524 tons, compared to 662,542. And within a decade the total foreign tonnage had risen nearly fourfold to 4,607,176 as Baltimore expanded industrially and its ties spread to more corners of the world.

The 1913 total foreign tonnage of 5,408,544 was valued at $149,369,677; in 1923, 6,620,691 tons were valued at $185,272,267; in 1933, 3,634,878 at $71,516,060; in 1943, 4,202,742 tons at $902,254,000.

The port's record tonnage was made in 1947, when it led the Nation with 24,611,490, most of which was coal. The value of that huge quantity, however, was only $737,631,998, because of the low value attached to the bulk coal.

The value of an average ton of exports last year was $89, compared to $29 for the average ton of imports. About half of the imports were ores, which have a low value.

In 1860 the value of a ton of imports had been $47 and of exports $50.

Baltimore's lead as a grain-exporting port for many years is further emphasized by the fact that in 1879, nearly 60,000,000 bushels were shipped out of here to foreign points. This figure is only 10,773,693 bushels less than the port's total in 1953.

The Port of Baltimore, No. 10—Helen Delich Tells How Baltimore's Fine Natural Harbor Gave It Ascendancy

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. GARMATZ. Mr. Speaker, the final article in the Baltimore Sunday Sun magazine of January 9 devoted to the port of Baltimore is another in the fine series written for this section by Helen Delich, and portrays the historical development of the port from the time when Capt. John Smith first visited the Patapsco, which he called the River Bolus.

A great port long before that day in September 1814 when our national anthem was inspired by the defense of Fort McHenry, Baltimore's growth as a port began, as this article reports, in 1706, with steamboat service beginning in 1813.

How the people of Baltimore, the railroads, the merchant leaders, and men of vision down through the years joined in building up the port of Baltimore to its present position of leadership, is told in this article, as follows:

BALTIMORE'S GROWTH AS PORT BEGAN IN 1706—OUR FINE NATURAL HARBOR GAVE US ASCENDANCY OVER ALL RIVALS IN THIS AREA

(By Helen Delich)

Five ports once flourished simultaneously within the boundaries of what is now the port of Baltimore.

Humphreys Creek, Whetstone Point, Jones Town, Baltimore Town and the town of Fells Point—all within a 4-mile radius—competed with one another for trade during the early 18th century.

Then there were also the old, established ports of Annapolis on the Severn River and Joppa on the small, winding Bush River.

The trade of all these small colonial ports was exclusively with England.

Ironically, Baltimore Town, which because of its extremely shallow harbor was engaged in less actual shipping than any of its rival ports, was destined to absorb its four closest neighbors, prosper far beyond the others and two and a half centuries later rank as a major factor in world commerce.

The history of the port of Baltimore begins with Capt. John Smith, the first white man to set foot on the shores of the Patapsco, or River Bolus, as he named it. One of his souvenirs was said to have been a sample of red iron ore, which was plentiful on the virgin shores; that ore one day was to become the area's largest import.

Midway in the 17th century, David Jones was among the few white settlers along the Patapsco River. He built in the area later called Jones Town. And Thomas Cole obtained a warrant for 550 acres which he called Coles Harbor. Sixty-one years later part of that land was designated Baltimore Town.

However, most of the activity of that period was taking place elsewhere in Maryland: the *Ark* and *Dove* had landed the first real Maryland settlers at St. Marys.

Joppa Town and Humphreys Creek—the latter near the present Sparrows Point—were made ports of entry in 1683. But the broader and deeper Patapsco soon proved to be a better natural harbor than the silting-in Bush River, and trade moved down to it.

Whetstone Point, now known as Locust Point, was officially recognized as a second port in 1706. Because the first two attempts—one in Dorchester County and the other near Joppa—to honor Lord Baltimore by naming a town after him had failed, his name was selected in 1729 when the General Assembly provided $600 to buy 60 acres on the north side of the Patapsco in Baltimore County and named it Baltimore Town.

In the beginning, Baltimore Town served chiefly as an industrial site; the shipping centers were Jones Town, Gwynns Falls and the newly founded Fells Point. For in 1730 William Fell, a ship carpenter, arrived from England, built a home at the foot of Lancaster Street and opened a store. Before long, however, he began building bay craft.

With every farm put to producing tobacco, the earliest exports from the area consisted principally of this product.

Ships with imported cargoes provided the earliest stores by anchoring out in the harbor and advertising their wares along the shores by word of mouth.

Baltimore Town mushroomed to 113 acres by merging with Jones Town in 1745, the same year Irish-born Drs. John and Henry Stevenson settled in the area.

At that time, there was a shipyard on Jones Falls at the location Mercy Hospital now occupies.

While his brother Henry established the Nation's first smallpox hospital here, Dr. John Stevenson abandoned medicine and concentrated on the port's trade potentials. He foresaw the value of the Patapsco River

branches, and he inaugurated grain exporting and brick importing.

He persuaded some of his Irish friends to send a ship here in 1750 for a cargo of wheat. The venture resulted in a handsome profit and a new trade had started—the first of the big bulk movements for which the port was to become famous.

Finally some Baltimoreans owned vessels and could begin trading elsewhere than in England. The West Indies and other Colonial seaboard cities received most of the early trade.

Just before the Revolutionary War, Fells Point was absorbed by Baltimore Town. Because this port was never blockaded by the British, a considerable amount of Annapolis' trade was diverted here permanently, and Baltimoreans were able to build and produce ships to help fight the war.

Afterward—the events came within a few years of each other—John O'Donnell bought and established Canton, nine port wardens were appointed to ascertain the depth and course of the channel, the first marine-insurance company boomed, wealthy Baltimoreans formed the Charitable Marine Society to provide a rest home for their hardy seamen, and in 1797 Baltimore was incorporated as a city.

Soon after the advent of the famous Baltimore clippers the United States again went to war with Great Britain. Baltimore's greatest moment in this conflict came September 14, 1814, when Francis Scott Key was inspired to write the Star-Spangled Banner by the British bombardment of Fort McHenry.

Some historians believe that the Baltimore clippers can be credited to a great extent with the defeat of the British on the seas, for over half of the American-used ships were constructed here.

While the War of 1812 was in progress the first steamboat to operate out of Baltimore—the *Chesapeake*—inaugurated a service to Frenchtown. That was in 1813. A few years later the Weems Line placed five side-wheelers in service.

After the war Baltimore spent time reestablishing its trade routes. Then, in 1827, the railroad train Tom Thumb was invented as a defense for this port against the Erie Canal and other proposed canals leading from the West to rival eastern seaports. Baltimoreans felt that they had to have a real connection to the West or they would lose their trade of coffee, grain, and tobacco.

In 1828 a company was formed to make a screw dock—the first version of a floating drydock—for the repairing of ships' bottoms here; this was erected on Mr. Ramsay's wharf. The Canton Co. was formed by Peter Cooper to build up the eastern adjunct to Baltimore.

The lack of cargo space in the Baltimore clippers resulted in an innovation in these sleek, fast vessels, and the *Ann McKim* was established in the China trade. She is said to have been the last of the Baltimore clippers and the first of the clipper ships, which had cargo space as well as speed. Some Baltimore clippers were sent to South America to help those countries free themselves.

For the next three decades Baltimore, New York, and New Orleans vied for first position in the Nation for overall tonnage handled across the piers.

In 1840 the Baltimore Steam Packet Line, more popularly known as the Old Bay Line, began operating down Chesapeake Bay; today it is the only overnight steamboat line in the Nation. In 1854 the Merchants & Miners Transportation Co. started a coastwise service that was popular until the beginning of World War II.

The Baltimore & Ohio Railroad was developing the Locust Point terminals by this time as an outlet for its western freight.

Channel depths and widths became extremely important when the larger steam vessels came into use. Although some dredging around the wharves had been going on for decades and a main channel 12 feet deep had been dredged from the inner basin past Fort McHenry, it was not until 1858 that deep-draft vessels could enter the harbor.

The first Federal Government channel authorization, granted in 1836, did not become a reality until 1866, when work was started on the Craighill Channel; it was enlarged to 24-foot depth and 250-foot width at a cost of $400,000.

The famous cigar ship of Ross and Thomas Winans was built in 1858, at a $2 million loss.

Next, the port became embroiled in the Civil War, with trade coming to a virtual standstill. The armor for the Monitor was forged at the Abbott Iron Works in Canton.

It was several years after the Civil War ended before Baltimore's trade approached its normal activity. However, in the meantime the Union Railroad had built tracks from Relay to the Canton waterfront, because the Northern Central was never able to complete its Canton extension.

The Baltimore & Ohio Railroad, not satisfied with operating marine terminals, purchased three wooden propeller ships for use in ocean trade. But these ships could not compete with foreign lines, and soon the B. & O. negotiated with the North German Lloyd to bring its ships into Locust Point. Other foreign lines started regular routes to Baltimore, and this once again became a big port.

In 1873, the Pennsylvania Railroad bought the controlling stock of the Northern Central, and thus began its association with Baltimore in the Canton area.

Baltimore's standing as a principal grain and flour exporting center was regained in the 1870's, when the B. & O. and the Union Grain Elevator Co. constructed grain elevators.

Sugar was lost as an import when four local refineries went bankrupt in 1879, and did not become a major factor again until 1922.

In 1887, the Maryand Steel Co. located at Sparrows Point, began the importation of iron ore from Cuba.

In the 1880's, the cruisers *Montgomery* and *Detroit* were built at the Columbia Iron Works, located between Fort McHenry and the B. & O.'s Locust Point. The first marine hospital for seamen was established in Wyman's Park, and the city replaced the port wardens with a harbor board.

By this time immigrants began pouring in through Baltimore at the rate of nearly 50,000 a year, to reach a total of 1,542,000 by 1938.

Ferries and small bridges connected the various sections of the harbor; the channel was deepened to 30 feet, and the first submarine, the *Argonaut*, was built here.

At the turn of the 20th century, the Pennsylvania Railroad built piers 6 and 7 in Canton, and the Western Maryland Railway—which had stretched westward to West Virginia and Pennsylvania—began building up Port Covington to extend its railroad across the seas.

Passenger lines connected Baltimore with many foreign lands, steamers sailed out of here for all of the Chesapeake Bay tributaries and other United States seaports.

By the time this Nation was involved in World War I, the Bethlehem Steel Co. had purchased the Sparrows Point plant, the three railroads were building modern coal piers, and the Western Maryland had set the pace for a multimillion bushel grain elevator, to be followed by the other two railroads.

The port flourished during the war, helping to supply the Armed Forces abroad and also building large ships.

The Port Development Act was passed in 1920, with $50 million made available. The only major user of this loan has been the Western Maryland Railway, which built the port's most modern general cargo facilities at Port Covington in 1928.

Also between the two World Wars, the Canton Railroad constructed its pier 11 and later leased it to the Pennsylvania, and the Pennsylvania built pier 1. The Maryland Drydock Co. bought out the 2-year-old Globe Shipbuilding & Drydock Co., and the Bethlehem interests absorbed several small uptown shipyards. These two together have given Baltimore the reputation of having the best ship repairing facilities in the Nation.

The Export and Import Board of Trade was established to stimulate commercial growth of the port, and Rukert Terminals Corp. became an important factor as the port's independent operation.

The port's leading export in 1934 was scrap metal to Japan. Now truck freight was beginning to change the complexion of port operation.

And then for the first 10 months of World War II this port was virtually starving because the military would not send any freight through here.

Loud and hungry wails reversed this situation, and before long the piers were jammed with cargoes of all types. This port led the Nation in shipbuilding, with 542 vessels turned out by the Bethlehem interests at Fairfield and Sparrows Point. All of the repair yards were busy working on torpedoed tankers and freighters. New industries sprang up.

Right after peace returned, 11 Liberty ships loaded with heavy equipment—turbogenerators, dam sluices, blast-furnace parts—sailed out of Baltimore for Russia.

Shipbuilding dropped to almost nothing, and soon foreign-flag ships once again began taking over most of the cargoes in and out of the port.

A survey of the port's needs was made by an outside engineering firm in 1949. As a result, the Port of Baltimore Commission was inaugurated and various facilities have been modernized.

In 1953 the Bethlehem-Sparrows Point Shipyard led the world in production, and Baltimore led in ore importation and grain exportation.

And now, at the beginning of the atomic age, the port of Baltimore is undergoing another survey, with discussion centering on improved general cargo facilities and a port authority.

H. R. 12

EXTENSION OF REMARKS
OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 24, 1955

Mr. HILL. Mr. Speaker, after our Easter recess the House will have before it for consideration H. R. 12, a bill reported out of the Committee on Agriculture, which would rescind the action of the 83d Congress wherein a system of sliding-scale parity was written into the Agriculture Act of 1949, as amended.

The reasons advanced by the majority committee report for taking this action are based on the relatively low level of farm income. Farm costs remain high.

The inconsistency in the reasoning of the majority report accompanying H. R. 12 should be obvious. The restoration of the 90 percent of parity, as H. R. 12 seeks to do, would perpetuate the situation which has led to present difficulties.

No system of supports for agricultural products can operate successfully without accompanying controls. The higher the support the more rigid the controls. We have already seen this type of support program sag of its own weight. Diminishing returns to the farmer, mounting surpluses and continued high cost of food to the consumer have been to a large extent due to the present price-support programs.

It is my opinion, Mr. Speaker, that the answer lies not in continued high rigid supports, but in better distribution and merchandising of our farm products to the consuming public which provides the farmer his fair share of the cost of his product without Federal subsidies. A better job of selling can help the farmer. Rigid supports mean rigid production controls and the little farmer is all too often forced to reduce his operation to one of unsound economic practice. The sliding scale of supports adopted last year may not be the complete or final answer, but does it make sense to discard it before it has even had a chance to operate for one crop season?

Mr. Speaker, under unanimous consent, I insert an editorial on this subject from the New York Times of March 13, entitled "Farm Surpluses":

FARM SURPLUSES

The magnitude of the problem faced by Washington in dealing with farm surpluses is revealed in the latest figures on Government-owned farm products. At the end of 1954 the Government held title to some $4,230,000,000 worth of farm surplus food and fiber and was incurring a daily bill of $700,000 to store them. Moreover, there was almost $3 billion outstanding in farm product loans. Thus more than $7 billion in Federal funds was committed to the farm-price-support program and this figure represented an increase of $1,500,000,000 in 1 year. Put another way, each American had a $44.50 stake in the farm problem by the end of last year.

The present administration has made strenuous efforts to reduce the staggering surplus inventory, but so far has been able to dispose of only relatively small amounts. The Government's disposal program has been slowed by the necessity to avoid depressing farm product prices in the world market since this would alienate friendly nations who must sell their own agricultural products abroad. An attempt is being made to open and to develop new markets for our surpluses, but this at best is a difficult, long-range project. Meanwhile, it is anticipated that the Government will have to take over many of the agricultural products on which it has granted loans, and that its total investment will run to $9 billion before any leveling off begins.

Clearly, farm surpluses remain one of our major domestic problems. Lower price supports becoming effective this year and increased Government disposal activities should tend to check our mounting storage of crops. However, it is plain that the farm-price-support program will burden the American taxpayer for years to come.

SENATE

FRIDAY, MARCH 25, 1955

(Legislative day of Thursday, March 10, 1955)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, whose mercy and love are from everlasting to everlasting: Coming from all the tangled paths our weary feet are treading, with so much that is unpredictable and unsure, we would be sure of Thee even amid the flood of mortal ills prevailing. Preserve us, O God, for in Thee do we put our trust. We would have the divine real to us, dominant in us, controlling us, comforting us, stabilizing and sustaining us. To this end, we lay our burdens and tasks before Thee, not that we may leave them here—they are our responsibility, and we would carry them with gallant hearts—but that having seen them in the light of Thy grace and power, having received, for the carrying of them, new strength and courage, we may find that even weights may be changed to wings and statutes to songs, as we run and are not weary and as we walk and do not faint. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, March 24, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954;

H. R. 4951. An act directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year, and for other purposes; and

H. R. 5085. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954; to the Committee on Finance.

H. R. 4951. An act directing a redetermination of the national marketing quota for burley tobacco for the 1955–56 marketing year, and for other purposes; placed on the calendar.

H. R. 5085. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes; to the Committee on Appropriations.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, so that the Senate may consider certain noncontroversial nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar under "New Reports."

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations in the Coast and Geodetic Survey be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast and Geodetic Survey are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

PROMOTIONS IN THE AIR FORCE

The Chief Clerk proceeded to read sundry nominations for promotions in the Air Force.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations for promotions in the Air Force be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations for promotions in the Air Force are confirmed en bloc.

That completes the Executive Calendar.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of all nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.